

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

CELLULAR COMMUNICATIONS)
EQUIPMENT, LLC)
) DOCKET NO. 6:14cv251
-vs-)
) Tyler, Texas
) 1:48 p.m.
APPLE INC., ET AL) September 13, 2016

TRANSCRIPT OF TRIAL
AFTERNOON SESSION
BEFORE THE HONORABLE K. NICOLE MITCHELL,
UNITED STATES MAGISTRATE JUDGE

A P P E A R A N C E S

FOR THE PLAINTIFF:

MR. BRADLEY W. CALDWELL
MR. JOHN AUSTIN CURRY
CALDWELL CASSADY & CURRY
2101 Cedar Springs Rd., Suite 1000
Dallas, Texas 75201

MR. EDWARD R. NELSON III
NELSON BUMGARDNER PC
3131 West 7th Street, Suite 300
Fort Worth, Texas 76107

MR. J. WESLEY HILL
WARD, SMITH & HILL PLLC
1507 Bill Owens Parkway
Longview, Texas 75604

COURT REPORTER: MS. CHRISTINA L. BICKHAM, CRR, RMR
FEDERAL OFFICIAL COURT REPORTER
300 Willow, Ste. 221
Beaumont, Texas 77701

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1 FOR THE DEFENDANTS:

2 MR. DOUGLAS E. LUMISH
3 MR. JEFFREY G. HOMRIG
4 MS. LISA K. NGUYEN
5 MR. BRETT M. SANDFORD
6 LATHAM & WATKINS LLP
7 140 Scott Dr.
8 Menlo Park, California 94025-1008

9 MR. JOSEPH H. LEE
10 LATHAM & WATKINS LLP
11 650 Town Center Drive, 20th Floor
12 Costa Mesa, California 92626-1925

13 MR. ERIC H. FINDLAY
14 FINDLAY CRAFT PC
15 102 N. College Avenue, Suite 900
16 Tyler, Texas 75702

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20 P R O C E E D I N G S

21 (Jury in.)

22 THE COURT: Mr. Homrig, you may proceed.

23 MR. HOMRIG: Thank you, Your Honor.

24 And I apologize, but I would like to ask to seal
25 the courtroom, please, because I think -- hopefully, for me,
for the last time.

THE COURT: All right. We're going to seal the
courtroom. If you're not under the Court's protective order,
please leave. We'll let you know when you can come back.

MR. HOMRIG: Thank you, Your Honor.

1 THE COURT: Uh-huh.

2 (Courtroom sealed.)

3 (This portion of the transcript is sealed and filed
4 under separate cover as Sealed Portion No. 18.)

5 (Courtroom unsealed.)

6 THE COURT: And -- well, do you think he's on his
7 way as in walking down the hall or --

8 MR. LUMISH: I think he's in the building. I think
9 he should be here any second.

10 THE COURT: Okay. We'll wait.

11 MR. LUMISH: Here he is, my colleague is here.

12 THE COURT: Oh, good. Just in time. I was going
13 to take a recess.

14 MR. HILL: Can -- can I ask a clarification, Your
15 Honor, before we start this?

16 My understanding is, is that the Court will allow
17 us to file written Rule 50 motions as well?

18 THE COURT: I will.

19 MR. HILL: We're going to present to the Court a
20 very summary fashion of just our issues. And then, of
21 course, we have one in particular we may call out in a little
22 more detail. But we also want to take the opportunity that
23 the Court has given us to file more fulsome arguments and
24 motions, legal precedent, in -- in the written form.

25 THE COURT: Yes. The Court will allow that.

1 And I'm -- I'm giving you time to argue them orally. You
2 may. You do not have to. I will accept them on the papers.

3 You just had indicated this morning that in
4 particular there was one that you all might want to take up,
5 and I'm happy to hear it.

6 MR. LUMISH: I guess, Your Honor, we're going to
7 file papers as well, and we would do that today. It might
8 make sense to argue them all at one time instead of
9 piecemeal. I'll leave that to, Your Honor.

10 THE COURT: All right. Well, we can argue them
11 first thing in the morning. You're saying do it in the
12 morning? Is that what you're offering?

13 MR. HILL: Your Honor, we would prefer to close in
14 the morning, get our jury deliberating, get that going.

15 Now, if the Court wants to hear argument on it,
16 provided they're filed in advance of the jury actually being
17 charged, I think we're okay from a preservation standpoint.
18 We could hear argument at any point, I believe.

19 THE COURT: Yeah, I agree.

20 MR. LUMISH: That's fine.

21 THE COURT: Okay.

22 MR. LUMISH: The only thing I would say, Your
23 Honor, they filed our papers in the middle of the night.
24 We've had them. We've done our best to get ready for them.
25 We may not be as prepared as we would like to be. We'd ask

1 you to take that into account as we go.

2 THE COURT: No problem.

3 Okay. But I'm still not clear on what y'all want
4 right now, to argue or not?

5 MR. LUMISH: I think they're saying they want to
6 argue their motion.

7 MR. HILL: Yeah, Your Honor, with regard to the
8 inventorship issue, we do think that that could be a material
9 point for closing, particularly if it's going to be a JMOL
10 issue the Court entertains. And so I do think we want to go
11 ahead and present on that.

12 THE COURT: Okay. Let's hear it.

13 MR. HILL: Thank you. Mr. McManis will address the
14 issue for Plaintiff.

15 THE COURT: Okay.

16 MR. MCMANIS: Good afternoon, Your Honor.

17 From opening statements in this case Apple has
18 attempted to cast a cloud over the legitimacy of Mr. Sebire's
19 inventorship of the '820 patent. But the evidence that Apple
20 has presented on this issue is insufficient as a matter of
21 law to support any challenge to Mr. Sebire's sole
22 inventorship.

23 No reasonable jury, based on the evidence in this
24 case, would have a legally-sufficient basis to find for Apple
25 on the issues of improper inventorship and derivation.

1 Apple has not identified any individual that it
2 claims is the true inventor of any claims for the '820
3 patent, or a co-inventor of any claims for the '820 patent.

4 Apple has not identified any actual claims that it
5 contends this unknown inventor contributed to or conceived
6 of.

7 And Apple has not identified an idea that was
8 communicated to Mr. Sebire in order to create that
9 contribution.

10 So, really, this is an issue that the evidence that
11 Apple has put on, it's legally insufficient; and allowing
12 these issues to go to the jury would invite legal error.

13 Going to the first issue, the issue of no inventor,
14 we cited a case in our brief filed last night, Oasis. And in
15 that brief Judge Mazzant had a verdict form that actually
16 required the jury to write down the name of the putative
17 inventor, or if they found the inventorship -- the improper
18 inventorship claim to be proven, to write down the name of
19 the person they found to be the true inventor or the
20 co-inventor.

21 And the reason for that is that the law requires
22 identification of an actual person to be the putative
23 inventor. Conception is a mental act, and it requires a
24 person. It's not something that can be put together from a
25 group of documents. It's not something that can be

1 attributed to a company. And that was actually ruled on by
2 Judge Davis in *z4 v. Microsoft*, that Microsoft itself could
3 not be the true inventor of the claims in that case.

4 The closest Apple has come in this case to
5 identifying a putative inventor is Dr. Stattin. He took the
6 stand and was asked repeatedly, at least three or four times
7 by Mr. Caldwell, whether he was claiming to be an inventor of
8 any claims of this patent.

9 And what he said is that he doesn't know; that's
10 not his responsibility; and that he couldn't answer that
11 question because he had never actually seen the claims of the
12 patent.

13 The other name that was introduced through the
14 testimony of Dr. Stattin was Dr. Peisa, his colleague at
15 Ericsson. Mr. Caldwell asked whether Dr. Stattin believed
16 that Dr. Peisa invented claims of the '820 patent. And he
17 responded that he didn't know.

18 If -- if Your Honor were to submit a verdict
19 form -- if the jury were to be asked who the actual true
20 inventor was on Apple's improper inventorship or derivation
21 claims, there's literally no evidence in the record that the
22 jury could look to to answer that question. And submitting
23 that question to the jury without answering that -- that base
24 question of who the putative inventor would be, would be
25 legal error.

1 The second problem is there's been no
2 identification of the claims that were allegedly contributed
3 to by this unknown inventor or were derived from this unknown
4 inventor.

5 If -- if you look through the record, Apple
6 compared Claim 1 to the joint proposal on cross-examination
7 of Mr. Sebire, but Apple has never contended at any point in
8 this case that the joint proposal anticipated Claim 1. They
9 have never highlighted Claim 1 in their -- their clever
10 highlighting they've put up with the specification.

11 And -- and Dr. Acampora agreed today -- and we
12 heard from Dr. Stattin -- that Proposal 6 in the joint
13 proposal doesn't actually disclose how to select between long
14 and short. And that, frankly, is unequivocal testimony from
15 multiple witnesses that that's not sufficient to disclose
16 Mr. Sebire's invention.

17 Dr. -- or excuse me, Mr. Sebire was asked a couple
18 of times about Claims 8 and Claims 19 related to 6-bit buffer
19 size and whether he was claiming to have invented 6-bit
20 buffer size.

21 But, once again, Apple has failed in identifying
22 that anyone gave the idea of 6-bit buffer size to Mr. Sebire.

23 And really I think it's -- most of us feel it's
24 illustrative that -- if you'll recall the cross-examination
25 of Mr. Sebire as Mr. Lumish was crossing out individual

1 elements of the claim, that Mr. Sebire's response was that
2 the invention has to be taken as a whole. And that's true.

3 To -- to get at this issue of conception on the
4 defense of improper inventorship or derivation, you cannot be
5 the true inventor or a co-inventor by contributing something
6 that's in existence in the prior art. So simply because
7 there's another idea that may have been added on to
8 Mr. Sebire's claims, that is not evidence of conception of
9 the whole invention.

10 So even if you were to spot Apple, the -- the issue
11 of there was another inventor who gave this idea, there is
12 still no evidence in the record that this idea wasn't known
13 in the prior art. And we know from Federal Circuit case law
14 that that -- you have to prove that it wasn't something that
15 was already in the prior art to satisfy your clear and
16 convincing evidence burden.

17 The last point, Your Honor, is that there was no
18 idea communicated to Mr. Sebire that would qualify for a
19 contribution to a claim or from which he could have derived
20 the inventions claimed in the '820 patent.

21 The evidence that Apple showed to the jury from
22 Dr. Stattin in the Ericsson presentations, it establishes
23 nothing other than that the RAN2 Working Group was
24 collaborating on ideas, and together they had identified a
25 problem, and they were working to solve that problem.

1 And Judge Mazzant, in Oasis, was presented with a
2 very similar issue. And looking at these documents, he noted
3 that all these documents reflected was group collaboration,
4 the identification of a problem; but they didn't have an
5 actual -- actual solution. And without an actual solution,
6 there can be no defense of improper inventorship or
7 derivation. It fails.

8 THE COURT: Did he still send it to the jury,
9 though, based on your earlier comments about the verdict
10 form?

11 MR. MCMANIS: He -- he did send it to the jury.
12 And then based on the verdict that was returned in grant --
13 or in favor of the defense, he granted JMOL for the plaintiff
14 and ordered a new trial.

15 So after submitting it to the jury on that
16 evidence, he concluded that that was legal error. And he
17 undid that decision.

18 And, as Your Honor may recall, Dr. Stattin himself
19 admitted that there were unanswered questions left in the
20 documents. I think the evidence is clear that there was no
21 answer. There was no answer in Proposal 6. The statements
22 in the Ericsson presentations were specifically called out by
23 Dr. Stattin himself as leaving unresolved questions.

24 So I think what we have here is we have -- Apple
25 has lodged these allegations. They're vague and

1 unsubstantiated by the evidence at this point. And it's --
2 it's an attempt to color the jury's obviousness determination
3 for the reference that they did present.

4 The proof that they have presented on these issues
5 is insufficient. And the reason it's insufficient is because
6 there are four foundational questions that Apple cannot
7 answer by pointing to the record evidence.

8 The first of those questions is: Who does Apple
9 actually contend should be the inventor or a co-inventor with
10 Mr. Sebire on the '820 patent because inventorship requires a
11 natural person to be the inventor?

12 The second question is: What claims of the '820
13 patent does Apple contend this putative inventor conceived of
14 or contributed to?

15 And Apple has not answered that question.

16 The third is: What is the idea that Apple contends
17 was communicated to Mr. Sebire?

18 And then the fourth question is: When and how was
19 the idea communicated to Mr. Sebire?

20 And, Your Honor, unless Apple can answer these four
21 questions by pointing to record evidence that the jury can
22 consider, it cannot satisfy its clear and convincing burden;
23 and judgment as a matter of law is appropriate.

24 Thank you.

25 THE COURT: Okay.

1 MR. HILL: Your Honor, may I add one point before a
2 response, to Mr. McManis' comments?

3 THE COURT: Yes.

4 MR. HILL: And it has to do with the question the
5 Court asked about what did Judge Mazzant do in this
6 circumstance.

7 And the fact is, Judge Mazzant submitted the issue
8 and they returned -- it was a defense verdict returned. And
9 then he granted a JMOL after the fact reversing that verdict
10 and ordering a new trial.

11 Your Honor, the reason we believe it's so important
12 that the Court take this issue up now and make a decision, if
13 you're going to grant a JMOL, do it pre-verdict, not
14 post-verdict, because it's the pragmatic point of in a motion
15 for new trial, or in a post-verdict renewal of a JMOL, all
16 the Court can do is take away. The Court can't give back.

17 And so if what happens here is the Court submits a
18 defense that's not based in the record, and the jury were to
19 return a verdict on that defense, it's returned an improper
20 verdict. We're going to have to retry this case, retry
21 damages, retry everything.

22 If the Court believes that issue is improperly
23 included, and you leave it out, and then the Court -- the
24 jury returns a verdict and we get a damage award in that
25 instance, you at least have something that can be dealt with

1 even if you were to make a decision post-verdict about this
2 issue.

3 You have a way to maintain a record. It's -- it's
4 an opportunity for the Court, if you need to take away a
5 verdict, you can take away a verdict, a damages award.

6 But if you submit it on the front end, and it is --
7 it's submitted improperly, it has two potential effects:

8 One, no way to fix it and we have to retry a case
9 unnecessarily; and then number two, Your Honor, what it does
10 is submitting defenses that are not based in the record has
11 the ancillary impact, we know from jury research, of reducing
12 damages awards because it's part of the compromise process
13 that often goes on in a jury room. Someone may get over the
14 hurdle on an improper defense, but the trade-off for getting
15 over that hurdle is a -- a insistence on a compromised damage
16 verdict.

17 And so we believe that it infects a potential jury
18 decision not just on the merits of the inventorship claim but
19 in other issues in the case if it's improperly submitted.

20 THE COURT: Mr. McManis, where did you go?

21 Let me ask you a follow-up question. You all then
22 sort of -- you haven't been conflating, but you've been sort
23 of using "inventorship" and "derivation." I mean, are these
24 separate things? Are you asking the Court to get rid of both
25 of those theories? Are they separate?

1 MR. MCMANIS: Your Honor, we are asking for both
2 defenses to be removed. The key issue with respect to these
3 and the failure of Apple's proof has to do with
4 identification of an actual inventor or a co-inventor, the
5 contribution of an idea to any of the -- any of claims of --
6 of the '820 patent. And the key issue is -- is conception
7 for both defenses.

8 So because of the proof that Apple lacks, both
9 defenses would fail in this case.

10 THE COURT: Okay. Response.

11 MR. BELL: Good afternoon, Your Honor. Gabriel
12 Bell for Apple.

13 I'd like to go directly to Your Honor's question to
14 opposing counsel; I think it is exactly the right one
15 because we saw in -- excuse me -- CCE's motion where they did
16 do that, conflating of derivation and improper inventorship;
17 and those are very distinct issues in the following respect,
18 in two ways:

19 The first, CCE says that there must be a
20 communication of an entire invention -- complete invention,
21 excuse me, on Page 7 of their motion; and that, that relates
22 to derivation, not to inventorship.

23 The case law is very clear that with respect to
24 inventorship, you do not need to contribute to the entire
25 invention.

1 If you take, for example, the case of Ethicon --
2 and that's at 135 F.3d 1456, in that case the Court made very
3 clear that contribution to one claim is enough. And not even
4 the entire claim. So in that case the issue was whether the
5 contribution of a single element of one claim was enough
6 to -- excuse me -- to sustain an inventorship defense as to
7 all claims. And the Court in that case said it was.

8 THE COURT: So do you have -- do you have evidence
9 of -- that would support a derivation defense? In other
10 words, of -- derivation of the entire invention or invention
11 of the entire thing claimed?

12 MR. BELL: Right. So we think we do, although we
13 think it's a closer question than inventorship. We think the
14 derivation evidence, it stems from the same set of facts and
15 the same evidence.

16 It takes a little bit more inference in terms of
17 the circumstantial evidence. You have to look at the overall
18 nature of the Ericsson initial slides, the working group that
19 happened, the product that came out of that group, and
20 ultimately, the provisional application that was filed around
21 the same time.

22 So it takes a bit more inference to get there for
23 derivation, and so that's why I say it's a closer question,
24 but we think there is sufficient evidence.

25 And so I would point Your Honor also to the Federal

1 Circuit case Fina Oil, which is at 123 F.3d 1466, which
2 further supports what we're saying.

3 Here -- here is what the Court said: A joint
4 invention is simply the product of a collaboration between
5 two or more persons working together to solve the problem
6 addressed. And also to be a joint inventor, an individual
7 must make a contribution to the conception of the claimed
8 invention that is not insignificant in quality when that
9 contribution is measured against the dimension of the full
10 invention.

11 So when we look at these two cases, particularly
12 Fina Oil and Ethicon, I think it's very clear that at a
13 minimum Apple has submitted unequivocal testimony by
14 Dr. Stattin that the idea of doing a long or short buffer
15 status report, based on whether there is data in one LGC or
16 multiple LGCs, was not Dr. -- excuse me -- was not
17 Mr. Sebire's idea. It was contributed by members of
18 Ericsson, according to Dr. Stattin.

19 THE COURT: He testified to that, that there are --

20 MR. BELL: Yes, he did.

21 THE COURT: Did he name them?

22 MR. BELL: They were named elsewhere in his
23 testimony. He talked about a Janne Peisa. I don't know if
24 I'm pronouncing it correctly. But that individual was an
25 Ericsson employee that was mentioned.

1 And I think what Your Honor is getting at is a
2 second item I wanted to take up with respect to their
3 proposed standard, and that is this notion that you have to
4 name an exact person. And we would contend that that is both
5 wrong on the law and wrong on the facts here. And if I could
6 explain those two points.

7 So the statute we're dealing with is Section
8 102(f). That's what gives rise to both derivation and
9 inventorship. And here is what it says. It says: A patent
10 is invalid if the named inventor, quote, did not himself
11 invent the subject matter sought to be patented.

12 So the focus here is on whether or not Mr. Sebire
13 is the inventor. So we have to show by clear and convincing
14 evidence that under the statute, that he was not. There --
15 there is nothing in that statute that says a precise person
16 must be named.

17 THE COURT: What about the case law supporting the
18 idea of inventorship? It hasn't required an individual be
19 named as the inventor -- the other inventor?

20 MR. BELL: The other side has not pointed to any
21 cases that I am aware of in terms of finding case law that
22 would require it. And we were able to come up with a couple
23 of cases that suggest to the contrary.

24 One of those is Solomon versus Kimberly Clark and
25 that's at 216 F.3d 1372. And in that case the same argument

1 was raised in terms of requiring a specific named person.

2 Now, the Court ultimately didn't pass on that, so
3 it's not directly on point, but it gives an indication -- the
4 Court did not accept that defense. It ruled on other
5 grounds.

6 But the easy ground in that case would have been to
7 say, well, you didn't name the specific person. Game over.
8 It did not do that. Instead, it ruled on other grounds.

9 And then another case I would point your Honor to
10 is Dow Chemical versus Astro-Valcour. That's at 267 F.3d
11 1334.

12 And in that case the question was whether multiple
13 employees of a given corporation were all co-inventors. The
14 Court didn't sit and parse out the particular employees and
15 whether they were named. They kind of collectively -- the
16 Court collectively treated those employees in making the
17 inventorship determination.

18 So I would submit that the combination of the clear
19 language of the statute, lack of case law suggesting -- or
20 directing otherwise, and some case law suggesting that no
21 particular names are necessary, would support our position.

22 But I would like to make the point that, in any
23 event, we have the facts to show that there were, in fact,
24 people named specifically.

25 And as I mentioned just a moment ago, Dr. Stattin

1 testified both about himself and about Janne Peisa. He said
2 both were, quote: Personally -- both personally contributed
3 to the discussion.

4 That was his testimony. And that, again, goes back
5 to the standard we were talking about, this collaborative
6 effort leading to a result.

7 He also testified that the ideas were consistent
8 with those by Mr. Torsner, a patent previously submitted.

9 And Mr. Sebire himself testified that a number of
10 individuals were involved in these discussions. He testified
11 that on the morning of September 7th. Various individuals --
12 I won't name them all -- but Anil Umesh, Ed Charbonneau,
13 various others at that point.

14 So we would submit that those -- even if Your Honor
15 believed that a specific name was required, certainly there
16 are multiple names given here.

17 And with that, unless Your Honor has additional
18 questions.

19 THE COURT: Well, I mean, okay, you addressed point
20 No. 1 on this question, but what about 2, 3, and 4? Are they
21 correct statements of the law? Do you have evidence to
22 support them?

23 MR. BELL: Sure. So No. 1 I think we've talked
24 about.

25 THE COURT: Right.

1 MR. BELL: No. 2, what claims of the '820 patent
2 does Apple contend the putative inventor conceived of or
3 contributed to. And I think that goes to what we were
4 discussing earlier, that it's not necessary that any one
5 whole claim be fully contributed to by others. It's-- all it
6 requires is one element and --

7 THE COURT: So what's the evidence of an element?

8 MR. BELL: Sure. So the evidence of an element --
9 right. As we were noting earlier, Your Honor, the key
10 element they contributed is this notion of choosing between
11 long and short buffer status report based on the number of
12 LCGs with data, whether it's one or more than one.

13 And that's the testimony that Dr. Stattin clearly
14 gave himself. It's the -- it's demonstrated on Slide 11 of
15 the Ericsson slide presentation that we looked at during the
16 trial, and that is what appears in all of the claims.

17 All of the claims talk about choosing between long
18 and short based on a condition corresponding to the buffers.
19 And so that's in Claim 1.

20 As a general matter in Claim 4, it specifies long
21 or short based on one or more than one having data. And so
22 that -- that propagates through all of the claims.

23 But as we noted -- or as I noted earlier, all it
24 would take would be one element of one claim. And that
25 against the backdrop, I think, is important of all of these

1 events in the collaborative process. And so we see the
2 various events leading up to the provisional application. We
3 see the substantial portions taken from the Ericsson -- or
4 the joint proposal, rather, that ultimately ended up in the
5 provisional application, which ultimately ended up in the
6 patent itself.

7 So you look at all of these in totality, and I
8 think there's certainly enough to get to a jury, and we would
9 submit far more than that.

10 And so looking down to the next, No. 3, what is the
11 idea that Apple contends was communicated to Mr. Sebire, I
12 think we just discussed that.

13 And also, I would, again, reiterate that it does
14 not have to be the entire -- the entirety of the invention.

15 We've identified, at a minimum, one key element.
16 And I would emphasize this point to Your Honor: That this
17 choosing between long and short is the key identified element
18 or one of the key identified elements in the purported
19 invention. And so that -- certainly, there is evidence of
20 that being communicated.

21 And then, finally, when and how was the idea
22 communicated to Mr. Sebire? I think I would have two points
23 on this, Your Honor.

24 One, again, it is not -- it's for us to show that
25 it wasn't Mr. Sebire's idea. And so we, I think, have shown

1 evidence of that. But the when and how, it goes part and
2 parcel with all of the events leading up to the provisional
3 application. So it's not -- it's not important to pin down
4 exactly at this moment of this day. It's enough to show that
5 it wasn't all Mr. Sebire.

6 THE COURT: Okay. Mr. Lumish, do you have a
7 response on this or --

8 MR. LUMISH: If you wouldn't mind, Your Honor, I'd
9 like to adjust two points.

10 On the ideas -- excuse me -- the Ericsson
11 proposal -- the Ericsson PowerPoint slides also showed the
12 check against bandwidth. And both Mr. Sebire and Dr. Stattin
13 testified that that bandwidth check was one that would be
14 done to determine whether a long or short buffer status
15 report could fit.

16 So if you look at these claims as having two
17 selection criteria, the pre-selected condition. And then
18 secondly, the bandwidth check. These PowerPoint slides
19 deliver both of them to Mr. Sebire. They're both on Ericsson
20 logos -- letterhead, I guess is what I mean to say. They're
21 on Ericsson PowerPoints.

22 The testimony from Mr. -- Dr. Stattin was those
23 were Ericsson ideas. They went back as far as -- at least
24 the -- the pre-selected conditions went back as far as 2006,
25 that they wrote them down into the slides, that they

1 communicated them to the group at large, and that they, in
2 particular, communicated them to Mr. Sebire between October
3 22nd and October 23rd in Helsinki.

4 So there's extensive testimony on this. There's --
5 I don't think it was really even contested as to whether
6 Ericsson had those ideas, Ericsson presented them to the
7 group, Ericsson presented them to Mr. Sebire. And then you
8 see them getting moved from and morphed from PowerPoint slide
9 to proposal to patent application to the patent.

10 THE COURT: Thank you.

11 MR. LUMISH: Oh, one other, Your Honor. I
12 apologize. It's the 6-bit size of the buffer status report
13 itself was another thing that comes straight out of those
14 PowerPoints. Mr. Sebire admittedly didn't invent it. You
15 see that travel in the same pathway.

16 THE COURT: Thank you.

17 MR. LUMISH: Thank you, Your Honor.

18 THE COURT: Mr. McManis, talk to me about this
19 point number one. Where is the case law that says we've got
20 to specifically name an inventor?

21 MR. MCMANIS: Your Honor, University of Utah v.
22 Max-Planck. It's 734 F.3d 1315. And it's cited in our brief
23 filed last night.

24 And it says unequivocally that inventors must be
25 natural persons and cannot be corporations. And so --

1 THE COURT: Okay. Well, that's different than
2 we've got to come forward with -- with the name of the actual
3 person.

4 MR. MCMANIS: Well, I think, Your Honor, what
5 you're hearing from Apple is that their argument is that
6 there -- there could be some of these people at Ericsson who
7 may have contributed these ideas as part of the group. And
8 that runs them right into Oasis, which says that these group
9 discussions that result in a problem to be solved, or even a
10 general sense of where the invention may fit in, is
11 insufficient to satisfy the clear and convincing evidence
12 burden.

13 THE COURT: Okay. Any final word?

14 MR. BELL: I think just one more quick point on
15 that, Your Honor.

16 And I would just like to direct the Court's
17 attention back to Fina Oil. And what the Court said was a
18 joint invention is simply the product of a collaboration
19 between two or more persons working together to solve the
20 problem addressed. And so I think that goes directly to
21 CCE's point.

22 THE COURT: How does that square with this Oasis
23 holding that group -- group work is not enough? I'm not
24 saying it very artfully, I'm afraid, because I don't have it
25 right in front of me; but how does that respond to

1 Mr. McManis's Oasis point?

2 MR. BELL: Right. So I think, at least in this
3 case, what the Court is saying is that if there's evidence
4 that this group effort led to a solution, I think maybe
5 that's where we're differing. Just stating a problem versus
6 coming up with a solution. We think there's certainly
7 evidence here that, ultimately, this working group did come
8 up with a solution and, therefore, the Fina Oil content
9 applies rather than Oasis.

10 MR. LUMISH: May I be heard on this as well, your
11 Honor?

12 THE COURT: Yes.

13 MR. LUMISH: And just -- just, again, in case
14 Your Honor is ruling against us on that respect, the
15 testimony was pretty clear that the PowerPoints were created
16 at Ericsson. The meeting was set up by Ericsson. Dr. Peisa
17 put -- typed the statement into the PowerPoint at Page 11
18 about choosing formats based on the number of groups that
19 need to report data and that they communicated that to
20 Mr. Sebire.

21 So if you need an individual, Dr. Stattin and
22 Mr. -- and I think it's Dr. Peisa. Dr. Stattin's testimony
23 is Dr. Peisa does the work. He puts it into the slide deck
24 and the two of them communicate it both together to
25 Mr. Sebire.

1 MR. MCMANIS: Your Honor, this is in the briefing
2 as well. Dr. Stattin testified that he's not sure whether or
3 not these were Ericsson ideas that were even put in the
4 presentation. There's nothing attributable definitively to
5 Dr. Stattin, Dr. Peisa, or any person at Ericsson or any
6 person other than Mr. Sebire when he submitted his R2-080015
7 proposal months after these meetings, of the ideas that are
8 claimed in the '820 patent.

9 MR. LUMISH: That's why we have jury trials, Your
10 Honor. Everything he just said is, is, I think, wrong in the
11 facts. He does say it's their idea. He says it multiple
12 times. They, on cross-examination, got -- got some
13 admissions out of him, and the jury can weigh the two pieces
14 of testimony and come out with a decision. They're here to
15 judge the facts. He doesn't just get to decide what they are
16 because they like a cross-examination admission they got.

17 Dr. Stattin says multiple times it's an Ericsson
18 idea. It goes back to 2006. They wrote it down. They
19 contributed it. They communicated it to him.

20 And on this statement about the -- the proposal
21 from 2008 that Dr. -- Mr. Sebire wrote, remember, Your Honor,
22 in the courtroom Dr. Stattin's reaction when he saw that.
23 They showed it to him. They asked him about it. And he
24 said -- let me see if I can read it here. He said: If I
25 look at this, the first paragraph in Section 2 looks very

1 much like what Ericsson suggested in the joint MAC workshop.

2 So the one piece of evidence they think that nails
3 their case down, when he's presented with is, Dr. Stattin
4 says, yeah, that -- that looks like our idea.

5 THE COURT: Okay. I'm going to allow the issue of
6 inventorship to go to the jury but not the issue of
7 derivation.

8 I sprung the charge on you kind of late. Do you
9 need some time to look it over? Are you ready for the charge
10 conference?

11 MR. LUMISH: Maybe 15 minutes, Your Honor, is all
12 we need.

13 THE COURT: Okay. I'll -- yeah. Let's just take a
14 15-minute recess and -- and we'll pick it back up.

15 COURT SECURITY OFFICER: All rise.

16 (Recess.)

17 (Jury out.)

18 THE COURT: All right. Let's take up the charge
19 conference.

20 Who's first?

21 MR. PUCKETT: Good afternoon, Your Honor. Don
22 Puckett on behalf of CCE.

23 And if you would like to provide any guidance in
24 terms of how you would like to proceed, if you want to go
25 through the charge, my instruction or --

1 THE COURT: Yeah, just get into your first
2 objection, which I'm sure is not until like Page 20, right?

3 And we'll just go one-by-one, and I'll hear
4 argument from both sides on each objection.

5 We'll get through Plaintiffs, and then we'll get to
6 Defendants.

7 MR. PUCKETT: Okay. Thank you, Your Honor.

8 Proceeding through, I think I may have a couple of
9 items that I would suggest by way of cleanup.

10 On Page 5 this is in Instruction 2, the summary of
11 the contentions. We noticed that in the sentence, "summary
12 of CCE's contentions," that there's no mention of
13 willfulness, and so we would just like to add some reference
14 to CCE's contention that Apple has willfully infringed the
15 '820 patent. And I'll note that Apple has provided a
16 rebuttal contention in the next paragraph.

17 THE COURT: Okay. So point me to exactly where you
18 would like to add something.

19 MR. PUCKETT: So this would be at the second
20 paragraph beginning with "CCE also contends."

21 THE COURT: Uh-huh.

22 MR. PUCKETT: On that page. And at the end of that
23 sentence we would like add the instruction that CCE also
24 contends that Apple's infringement of the '820 patent has
25 been willful.

1 THE COURT: Okay. Response.

2 MR. BELL: Your Honor, I just only note that that
3 was not in their proposed instructions, and so we would just
4 object on that basis.

5 THE COURT: Okay. I'll allow it.

6 What's next?

7 MR. PUCKETT: On Page 9, Your Honor. And so this
8 is in Instruction 4.4, in the third paragraph that begins
9 with "I have identified the structures."

10 THE COURT: Yes.

11 MR. PUCKETT: And so there's a little bit of
12 ambiguous language as to whether or not it is referring to a
13 particular element of Claim -- of Claim 12 or Claim 12 as a
14 whole.

15 And as Your Honor knows, that only particular
16 elements that have been construed as means-plus-function
17 should be given a means-plus-function construction and
18 applied in that way.

19 And so we would suggest rewriting that first
20 sentence of that paragraph to say that the structure is
21 described in the patent that perform the function identified
22 in the means-plus -- means-plus-function element of Claim 12.

23 THE COURT: Any objection?

24 MR. BELL: No objection.

25 THE COURT: Okay. We'll make that change.

1 MR. PUCKETT: Your Honor, at the -- on Page 10, at
2 the very end of Instruction 5, the reference here is what CCE
3 has to prove for infringement, and we just want to make sure
4 that the language here is not suggesting that we have to
5 prove infringement of the entire patent.

6 And so our suggested edit would be that it be
7 written to say: In order to prove infringement for any
8 particular claim, comma, CCE must prove that the requirements
9 for either of these types of infringement are met by a
10 preponderance of the evidence.

11 And that simply makes it clear that it's judgment
12 on a claim-by-claim basis, and that it's showing that either
13 direct or indirect infringement would be sufficient for a
14 finding of infringement.

15 THE COURT: Any objection?

16 MR. BELL: No objection, Your Honor.

17 THE COURT: Okay. So I'm going to change that
18 sentence, the last sentence in Paragraph 5 -- I mean, in
19 Section 5 to read: In order to prove infringement for any
20 particular claim, comma, CCE must prove that the requirements
21 for either of these types of infringement are met by
22 preponderance of the evidence.

23 Is that right?

24 MR. PUCKETT: Yes, Your Honor.

25 THE COURT: Okay. What's next?

1 MR. PUCKETT: Thank you.

2 On the same page, the first paragraph of
3 Instruction 5.1 for direct infringement, a similar type of
4 edit on the second line where it says: What is covered by
5 the claims of a patent without the owner's permission.

6 We would suggest rewriting it to say: What is
7 covered by one or more claims of a patent without the patent
8 owner's instruction.

9 Again, to reflect that the infringement is
10 addressed by a claim-by-claim basis and not the whole patent.

11 THE COURT: Any objection?

12 MR. BELL: No objection.

13 THE COURT: I'll make that change.

14 MR. PUCKETT: Okay. Your Honor, on Page 11 -- and
15 I'm looking at the paragraph that begins with: Asserted
16 Claims 4 and 10 cover methods.

17 THE COURT: Okay.

18 MR. PUCKETT: So this deals with what is required
19 in order to infringe a method claim. I think, first of all,
20 this is the one where we're going to have a bit of a
21 substantial dispute.

22 I've prepared a notebook that I think contains all
23 of the legal authority that I might refer to today. So with
24 Your Honor's permission I'd like to pass that up and --

25 THE COURT: Sure.

1 MR. PUCKETT: So, Your Honor -- and this will come
2 up, again, in some additional instructions.

3 But I think that we, perhaps, have some degree of
4 dispute with respect to what is required to infringe a method
5 claim, direct infringement of a method claim and instances
6 where you have a device that is sold to Apple's customers
7 and, perhaps, some of the steps of the method are being
8 carried out by a device that might be in the possession or
9 owned by an Apple customer at the time that it performs the
10 steps of the method.

11 In this particular instruction there is a
12 recitation of a couple of situations in which the Federal
13 Circuit in the recent Akamai case has found that the
14 performance of certain method steps can be -- by one person
15 can be attributable to another person.

16 If we want to look at the case, in which this case
17 is behind Tab 1 in the binder that I just handed you, behind
18 the first blue slip.

19 And I think as we all know, Akamai was, perhaps, a
20 significant change in the law with regards to whether method
21 claims can be infringed when you have multiple parties that
22 are performing some of the steps of the method.

23 And in that case what the Akamai court held is that
24 the touchstone of determining whether a party can be held
25 responsible for the performance of method steps by another

1 party, collapses into this notion of vicarious liability law;
2 and that it is akin to and the Court should borrow principles
3 from elements of common law or other elements of law that
4 hold parties vicariously responsible for the actions of
5 another.

6 And in the Akamai case the Court is very careful to
7 list specific examples of when that can occur, such as in an
8 agency relationship or where there is a joint enterprise or
9 things of that nature. But the Court is also very careful to
10 say that this is not an exclusive list of this scenarios
11 within which the sort of attribution of the performance of
12 method steps can occur.

13 And so we had requested an instruction that
14 instructed the jury that it can look at the totality of the
15 circumstances with respect to whether this type of vicarious
16 liability relationship should arise.

17 And in particular we think that --

18 THE COURT: Can you point me in the joint proposed
19 jury instructions where the requested instruction was? I
20 thought that this paragraph that starts with asserted Claims
21 4 and 10, I thought that was directly from CCE's proposal.

22 MR. PUCKETT: I -- I believe that the language up
23 to a point is straight from our proposal; but I believe, if
24 I'm not mistaken, just certain language was omitted.

25 And I apologize, Your Honor. Give me just one

1 moment.

2 So the language that was omitted from our proposal
3 is on Page 17 of the document that was filed this morning,
4 the parties' final joint proposal. I believe it was in
5 previous versions that were sent to the Court.

6 THE COURT: I'll tell you, I'm working off the
7 volume that you -- is that the volume I've got in front of
8 you, Ms. Mehta?

9 LAW CLERK: No.

10 THE COURT: No. I'm working on -- we did this, you
11 know, not last night, when y'all filed it, so --

12 MR. PUCKETT: So let me see if I can point you
13 using a version that was e-mailed to the Court on Friday
14 afternoon.

15 THE COURT: Yes.

16 MR. PUCKETT: So, Your Honor, it's correct, the
17 language that I would refer to was added in the version that
18 was filed this morning.

19 THE COURT: Okay.

20 MR. PUCKETT: And so we would --

21 THE COURT: I feel better about that. Let me pull
22 that document up on my computer just so I can have it in
23 front of me, okay?

24 MR. PUCKETT: Thank you, Your Honor.

25 So this is Docket No. 284 filed this morning. And

1 the joint proposed final instructions was attached as
2 Exhibit A.

3 THE COURT: All right. And what you're seeking to
4 add is -- is at the top of Page 17 of this document?

5 MR. PUCKETT: That -- that's correct, Your Honor.

6 So it's the language that starts with "in deciding
7 whether the actions of others, such as the end users of
8 Apple's products are attributable to Apple. You should
9 consider the totality of the circumstances --

10 THE REPORTER: I'm sorry. Whoa, whoa. Such as the
11 end users of Apple's?

12 MR. PUCKETT: "Products are attributable to Apple."

13 THE REPORTER: Thank you.

14 MR. PUCKETT: "You should consider the totality of
15 the circumstances, including whether Apple controls a method
16 or manner in which the method steps are carried out or
17 whether Apple conditions the receipt of any benefit on the
18 end user's performance of the method step."

19 Some of that language may be deleted, Your Honor.
20 I think it's "the totality of the circumstances language"
21 that was deleted.

22 THE COURT: Okay. Response.

23 MR. BELL: Thank you, Your Honor.

24 I don't believe there's any evidence in this case
25 of joint enterprise, so I'm not sure an Akamai instruction is

1 appropriate at all. But to the extent it is, I think the
2 Court's current language is -- is sufficient to convey that
3 concept.

4 MR. PUCKETT: Your Honor, apart from -- from the
5 language, I think there -- there are two factual scenarios
6 that are discussed and that we would propose adding as the
7 examples -- or I should say there's one -- one that is
8 discussed in Akamai and one that I want to propose.

9 The first is discussed on -- it's the second column
10 of Page 2 on the copy of the opinion I gave you. It's on
11 pinpoint 1023 of the Akamai decision, 797 F.3d 1023, where
12 the Court is making reference to the Metro-Goldwyn-Mayer
13 Studios case.

14 And stating that: An actor infringes -- and I
15 think that that particular case is a Supreme Court case
16 arising in the context of copyrights, but it's being decided
17 here by the Federal Circuit in the context of patents.

18 And it says that: An actor infringes vicariously
19 by profiting from the direct infringement if that actor has
20 the right or ability to stop or limit the infringement.

21 And so we think that scenario potentially could
22 apply here where Apple sells the product and profits from the
23 product and profits from -- or benefits from the direct
24 infringement by its end users and has the ability to take
25 corrected actions to prevent further patent infringement by

1 modifying its software, or what have you. So we think that
2 that, for example, would be a scenario of --

3 THE COURT: Okay. Are you tendering these
4 scenarios for the first time? I mean, you're pointing at
5 case law. Was this not in any version of the proposed charge
6 you submitted to me?

7 MR. PUCKETT: That's right, Your Honor. This has
8 not been in the proposals that have come here today. We
9 would submit it based upon the evidence, as it has been
10 presented at trial, we believe supports the instruction. And
11 so this is our opportunity in a Rule 51 to request that
12 instruction, and so we did.

13 THE COURT: All right. Response.

14 MR. BELL: Just looking at the language, Your
15 Honor, of the Akamai remand decision, and it does use various
16 different terms; but, ultimately, I think the key point is
17 that it comes back to something very clearly under Apple's
18 purview. And I think the control language here accomplishes
19 that. I think the attributable language accomplishes that.
20 I wouldn't want to include any particular scenarios,
21 hypotheticals, and so on.

22 But as long as it keeps the focus on, ultimately,
23 Apple being in control, subject as to my objection to
24 including an Akamai instruction at all. That's what I
25 propose.

1 THE COURT: Okay. I'm -- go ahead.

2 MR. PUCKETT: I would just say that we do object to
3 an instruction that insinuates or states that control is a
4 necessary requirement. Akamai clearly says that's not the
5 case, that vicarious liability is the touchstone.

6 THE COURT: All right. I'm going to add the
7 language that's in this Document No. 284 on the top of Page
8 17, the "in deciding whether" sentence through the end of
9 that paragraph. But I'm not going to include the examples
10 from Akamai.

11 MR. PUCKETT: Thank you, Your Honor.

12 On the same page, Page 11, same instruction, the
13 line -- Paragraph beginning, "When a claimed method is
14 performed by computer software."

15 We think that sentence is erroneous as a matter of
16 law and that, perhaps, that may have been the law under
17 Muniauction at one point in time, but that has been expressly
18 overruled by the Akamai decision. And would be erroneous as
19 a matter of law. We would object to that instruction.

20 THE COURT: Okay. The whole paragraph or this one
21 sentence?

22 MR. PUCKETT: Well, I'm going to start with that
23 sentence, but I'm going to have more in that paragraph that I
24 may object to for other reasons.

25 THE COURT: Okay. Response.

1 MR. BELL: Based on Your Honor's earlier ruling, I
2 would not object to the removal of the first sentence.

3 THE COURT: Okay. I'm going to remove that
4 sentence.

5 MR. BELL: But I would stand on the rest.

6 THE COURT: Okay. What's next?

7 MR. PUCKETT: So I -- I would not object to the
8 second sentence, which I suppose will now be the first
9 sentence of that paragraph. However, the next sentence that
10 begins, "So the mere act of selling an accused device that
11 includes software accused of performing the method claims
12 cannot infringe those method claims, but proof of use of the
13 software by Apple can infringe."

14 And I think that goes hand in hand with the first
15 sentence that that's erroneous as a matter of law.

16 THE COURT: Response.

17 MR. BELL: Concerning the first -- now -- what is
18 now the first infringement requires the performance of each
19 step of the claim, I don't think that's at all controversial.

20 The next sentence, "the mere act of selling an
21 accused device that includes software accused of performing
22 the method claims cannot infringe those method claims," I
23 think up to there, that's uncontroversial.

24 And then I think the final clause, "but proof of
25 use of the software by Apple can infringe," I think that

1 would be one example where it could happen, perhaps, not the
2 only example.

3 THE COURT: Okay. Well, the objection is that
4 this -- "so the mere act of selling an accused device that
5 includes software accused of performing the method claims
6 cannot infringe those method claims," the objection is that
7 is not a correct statement of the law. Is it?

8 MR. BELL: I believe if Your Honor ended the second
9 sentence at "cannot infringe those method claims," I don't
10 think there would be any concern with that.

11 THE COURT: I'm going to remove the sentence.
12 Which just leaves us with the old second sentence and the
13 last sentence; is that right?

14 MR. PUCKETT: I think that's right, Your Honor.

15 THE COURT: Okay. Does that make sense to keep
16 both of those in there? Sometimes I get these charges done
17 at the charge conference, and I have one lone sentence that
18 no longer makes any sense.

19 MR. BELL: I think it does, Your Honor.

20 THE COURT: Okay.

21 MR. BELL: Sort of gives both sides to the same.

22 THE COURT: Okay.

23 MR. PUCKETT: We don't -- we don't object to it. I
24 don't think it's necessary but it is accurate so we don't
25 object to it.

1 THE COURT: I'll leave it in.

2 What's next?

3 MR. PUCKETT: On Page 12 at the end of that
4 instruction, so this -- the last paragraph there is an
5 instruction that we have proposed. I would just suggest
6 that, perhaps, it makes sense to move that up earlier in the
7 instruction. And we had suggested that in a document that
8 was filed this morning.

9 And I would suggest moving up to the second
10 sentence of -- I'm sorry -- the second paragraph of the
11 instruction just because it goes to the very nature of what
12 it means or what it requires to infringe a patent at a high
13 level, not tied to particular types of direct infringement by
14 apparatus or method. And so it just makes sense to sort of
15 move that up.

16 THE COURT: Do you have any objection to moving
17 that?

18 MR. BELL: I'm sorry. If I could ask counsel which
19 one --

20 THE COURT: I think it would be moved to the
21 last -- to the first full paragraph on Page 11 that starts
22 with "to determine direct infringement." It would be moved
23 and attached to that paragraph.

24 Is that right?

25 MR. PUCKETT: Yes. That would be fine.

1 MR. BELL: No objection, Your Honor.

2 THE COURT: Okay.

3 MR. PUCKETT: On Page 12, Your Honor --

4 THE COURT: Hold on. Hold on. I'm making notes.

5 MR. PUCKETT: Okay.

6 THE COURT: Okay.

7 MR. PUCKETT: On Page 12, Your Honor, there's just
8 a typo. There is two number blocks there that both have a 1.

9 So I would point that out for the Court.

10 THE COURT: Yeah. We'll fix that.

11 MR. PUCKETT: And now I'm in Instruction 5.3, Your
12 Honor, and on Paragraph 14.

13 We object -- and there are a couple of references
14 here in this instruction. I'll point you to the first
15 instance. But in the numbered list of the elements for
16 indirect infringement, there's reference to this notion of
17 specific intent to encourage infringement by someone else.

18 There may be some old cases that use the -- this
19 phrase, "specific intent." Counsel will correct me if I'm
20 wrong, but I'm not aware of cases post Global-Tech that use
21 this idea of specific intent, and it seems to be inconsistent
22 with the core holding of Global-Tech and subsequent cases.

23 THE COURT: I -- I think it's your tendered
24 instruction, as I'm looking through -- I mean, am I wrong
25 about that?

1 MR. PUCKETT: On -- on the specific intent
2 instruction, Your Honor?

3 THE COURT: Yeah.

4 MR. PUCKETT: I mean, I'm sorry, the -- the
5 indirect infringement instruction, Your Honor?

6 MR. BELL: I believe it was in the one submitted on
7 Friday as joint.

8 THE COURT: Yeah.

9 MR. PUCKETT: So I believe that is correct. And we
10 cleaned that up. And it's not in the proposal that we filed
11 with the Court this morning.

12 THE COURT: Okay. Hold on. Let me get to the new
13 proposal.

14 In the old proposal, I think it was unobjected to,
15 and we put it in exactly as submitted. I see in the new
16 proposal there are two versions of these factors. Is there a
17 material dispute as to the versions?

18 MR. PUCKETT: I think the -- the material dispute
19 just goes to the use of this phrase "specific intent" and
20 whether that is appropriate in light of the holding in
21 Global-Tech that willful blindness is sufficient.

22 THE COURT: Okay. Response.

23 MR. BELL: So, Your Honor, in the version that was
24 submitted Friday night, you're correct, it was unobjected to,
25 it was a joint proposal. Apple hasn't changed its position.

1 I guess CCE decided to remove that in the latest version.

2 And I think the current case law -- I'm not aware
3 of case law that says it's no longer a valid element. I
4 think Global-Tech still supports that element. There's a DSU
5 case in the Federal Circuit that was pre Global-Tech, which
6 has been cited post Global-Tech for the inducement standard,
7 and I think that supports the specific intent.

8 THE COURT: Any response to that?

9 MR. PUCKETT: Well, I know that the Global-Tech
10 case itself that does not use the phrase "specific intent."
11 We all know that it kind of rewrote the standard,
12 essentially.

13 And to the extent that phrase is out there, I think
14 it is language that's being picked up, and I don't -- just at
15 a conceptual level, I think it's misleading to the jury and
16 inconsistent with the notion that willful blindness can be
17 sufficient and potentially erroneous.

18 MR. BELL: If I could have one last word on that,
19 Your Honor.

20 THE COURT: Yes.

21 MR. BELL: Global-Tech was about willful blindness,
22 I don't believe it was about the specific intent requirement,
23 it was just about what can constitute willful blindness of
24 the patent infringement activities. Specific intent, I
25 think, goes to the inducement of the actions of the other

1 party, which I don't think was affected by Global-Tech.

2 THE COURT: I'm going to leave it as it is.

3 What's next?

4 MR. PUCKETT: Your Honor, on the same page in the
5 paragraph that begins, "In considering whether Apple,"
6 there's a sentence -- or actually two sentences in the middle
7 of that paragraph that deal with opinion of counsel. I will
8 note that this has been part of a joint proposal.

9 We've been waiting to see what kind of evidence was
10 going to come out on this. As Your Honor knows, there are
11 some careful issues there that have been subjects of motions
12 in limine that potentially indicate privilege issues and all
13 sorts of things.

14 I say all that because that's my justification for
15 now needing to object to some things that were in the
16 previous agreed proposal.

17 We think that this language is potentially
18 misleading in light of the facts, both the facts that are in
19 evidence and, perhaps, facts that the Court is aware of but
20 that the jury has not been made aware of.

21 The way that the instruction is written, it says
22 that you may not assume because Apple did not obtain an
23 opinion of counsel. And I think that's inconsistent with
24 even the testimony that is in front of the jury. And so it
25 seems to resolve facts in a direction that are inconsistent

1 with the evidence.

2 And so we, I think, would object and propose
3 striking both of those sentences that deal with opinions of
4 counsel.

5 THE COURT: Response.

6 MR. BELL: Thank you, Your Honor. A couple of
7 points.

8 One, as counsel pointed out, it was in the joint
9 proposal, and I think for that reason alone there aren't new
10 things that are really developed that would warrant an
11 objection now.

12 Number two, there are facts, I believe, in evidence
13 going to Apple's reliance on counsel in terms of the initial
14 allegations of infringement that Ms. Mewes testified about
15 or, rather, the standard-essentiality of the patent and who
16 she relied on within Apple to determine that it was not.

17 THE COURT: Are you-all going to put into issue the
18 fact that they did not obtain an opinion of counsel?

19 MR. PUCKETT: I'm -- I'm seeing heads shaking no,
20 so I'm going to say that we're not.

21 THE COURT: I mean, I guess my question is then, I
22 mean, this instruction says, "You may not assume that merely
23 because Apple did not obtain an opinion of counsel, the --
24 the opinion would have been unfavorable." I mean, if they're
25 not putting the issue to the jury that you did not obtain an

1 opinion of counsel, how is it relevant or necessary?

2 MR. BELL: At the end of the day, Your Honor, it's
3 probably right that we can leave it out.

4 THE COURT: Okay. Then I'm going to remove these
5 two sentences. Let's just make sure we're all on the same
6 page. Literally. I'm on Page 14. The paragraph that begins
7 with, "In considering whether Apple," I'm going to remove the
8 following sentences: "You may not assume that merely because
9 Apple did not obtain an opinion of counsel, the opinion would
10 have been unfavorable. Apple does not have an affirmative
11 duty to seek an opinion of counsel regarding infringement."

12 Okay?

13 MR. BELL: Thank you, Your Honor. If I could just
14 add one to that?

15 THE COURT: Yes.

16 MR. BELL: If we could have assurance that they're
17 going to make no reference to that in closing or throughout
18 the rest of the --

19 THE COURT: Yeah, yeah. They will make no
20 reference of it.

21 MR. PUCKETT: Your Honor, in the same instruction,
22 I know that you've already ruled on these, but just for
23 purposes of preserving my objections, we do object to the
24 reference to specific -- "specifically intended to cause the
25 acts that constitute direct infringement," at the bottom of

1 Page 14.

2 And, again, on the top of Page 15 where it says,
3 "If you do not find that the accused infringer meets these
4 specific intent requirements." The same objections as
5 before. I know your Honor has already ruled.

6 THE COURT: Okay. Thank you. Overruled.

7 What's next?

8 MR. PUCKETT: On Page 15 in the Instruction 5.4, in
9 the second sentence of that instruction there's reference
10 to -- it's the third line, "that Apple infringed a valid and
11 enforceable claim of the '820 patent." And again, this was
12 in agreed language. It's really just something that we've
13 just caught, but there has been no testimony or assertion
14 that -- of any basis for unenforceability of the patents.

15 There's no instructions for the jury, and I think
16 it may be just extraneous and confusing to insert
17 enforceability in this one straight reference in the
18 instructions.

19 THE COURT: You have evidence that Apple infringed
20 a valid claim of the '820 patent?

21 MR. PUCKETT: Yes, that we would not object to
22 that. We would only object to the words "in enforceable" --
23 I'm sorry, the words "and enforceable."

24 THE COURT: Yeah, okay.

25 Response.

1 MR. BELL: I think that's correct, Your Honor. No
2 objection.

3 THE COURT: Okay. I'll remove "and enforceable"
4 from that sentence.

5 MR. PUCKETT: Just give me one second so I can look
6 at my list, Your Honor.

7 Okay. Your Honor, in Instruction 6.1, which is on
8 Page 16, we object -- I think we object -- or I should say
9 that we do. I will come back and perhaps -- we object to the
10 entirety of the second paragraph and believe that it contains
11 several misstatements of law.

12 THE COURT: All right.

13 MR. PUCKETT: Not -- not the first sentence.

14 THE COURT: I was going to say, well, wait a
15 minute. Okay. So the sentence starting, "If a piece of
16 prior art" --

17 MR. PUCKETT: So let's start with the second. And
18 so the discussion here will largely center on the i4i case.
19 This is behind Tab 4 of the binder that I gave you.

20 And a few things here, Your Honor. First of all,
21 the i4i Court expressly disclaimed the idea that just because
22 a reference is not listed on a patent, that it was not
23 considered by the examiner.

24 And I would point the Court to Footnote 10 of that
25 decision. It's 564 U.S. 91. The pinpoint is Page 145 at

1 Footnote 10.

2 Where the Court discusses that often it will be in
3 dispute as to whether or not an examiner actually considered
4 a reference even if it was not listed on the face of the
5 patent.

6 And so we think that it is erroneous to instruct
7 the jury that if a piece of prior art is not listed on the
8 patent then they may assume that the examiner did not
9 consider the reference during the course of the examination.

10 THE COURT: Let me get a response to that sentence.

11 MR. BELL: One moment, please, Your Honor.

12 THE COURT: Sure.

13 MR. BELL: I think, Your Honor, perhaps, one way to
14 address that would be to say something to the effect of you
15 may consider whether the reference was considered by the
16 examiner in the course of examination, or something to that
17 effect.

18 THE COURT: Okay. Well, I'm going to strike this
19 sentence. Would you like to offer a replacement that's not
20 something like that?

21 Ms. LaHatte, I don't mind if you chime in. All
22 hands on deck.

23 MS. LAHATTE: Your Honor, I prefer Mr. Bell handle
24 it. Thanks.

25 MR. BELL: Perhaps, Your Honor, the way to resolve

1 it would be to go to the language of i4i itself. We cited
2 that in a footnote of the joint proposal, which I believe was
3 just part of an Apple-only proposal, so I'm not attributing
4 that to CCE; but it was on Page 31, I believe, of the Friday
5 version.

6 MR. PUCKETT: And, Your Honor, if I may, there's
7 kind of another layer to this argument, if you will. And I
8 think that if you'll allow me, then it might facilitate this
9 discussion.

10 THE COURT: Okay.

11 MR. PUCKETT: So the next case in this same tab
12 that I gave you is the Abbvie Deutschland GMBH case, 759 F.3d
13 1285.

14 And in this case, opposed to i4i in the Federal
15 Circuit, considered what -- first of all, who has -- who
16 bears the burden of showing whether a reference was before
17 the examiner or was considered by the examiner or not. And
18 found that a party challenging a patent bears the burden to
19 lay a factual predicate before being able to make the
20 argument at all that a certain reference was not before the
21 examiner.

22 And in particular on Page 13 of that case on the
23 second column -- let me make sure I'm pointing to the right
24 language here. So the Court approves the jury instruction
25 and cites another case, which is here, which states that this

1 is an accurate statement of the law -- is that the burden on
2 the party who seeks to argue that a certain reference was not
3 considered by the examiner and, therefore, carries some
4 special weight, has a burden to show materiality, and that
5 that materiality burden requires a showing that there is a
6 substantial likelihood that a reasonable patent examiner
7 would consider it important in deciding whether to allow the
8 application to issue as a patent.

9 And this case here cites back to the American Hoist
10 case, which is the next case that I provided to Your Honor.
11 This case goes back a ways. It's a 1984 case, so it's prior
12 to i4i. But it very expressly deals with this issue of jury
13 instructions in this particular context. It has been
14 reaffirmed by the Federal Circuit post i4i.

15 And in particular, if we look on Page 5 of that
16 decision, the citation here is 730 F.2d 1452. And the
17 pinpoint is at Pages 1459 to 1460. The Court says that: The
18 touchstone is whether the uncited art is sufficiently more
19 relevant than that cited to serve as evidence of obviousness.

20 And so that's what they have a burden to prove.

21 We -- Your Honor hasn't seen all of our Rule 50
22 motions that we will be filing a Rule 50 motion on this, that
23 they have not presented any evidence that would support a
24 finding certainly by clear and convincing evidence. And if
25 Your Honor looks at the cases, they say this is a very high

1 burden, even in this context, to show that the alleged
2 unconsidered art is more material than anything that the
3 examiner considered. This is something that they did not
4 attempt to put on as part of their proof.

5 And so we think that this is the subject of JMOL.
6 And so we would object to any instruction that doesn't
7 instruct on the burden of proof and the predicate that they
8 have to lay before the jury can take any consideration -- any
9 special effect of whether a reference was not considered by
10 the examiner.

11 THE COURT: Okay. Response.

12 MR. BELL: I think we would be open to modifying
13 the language, Your Honor, if counsel has a particular
14 suggestion.

15 MR. PUCKETT: I do have a proposed instruction.

16 And if I could read it into the record.

17 Our proposed instruction would be that: In
18 deciding the issue of invalidity based on the prior art
19 reference, you may take into account whether the prior art
20 was, or was not, previously considered by the Patent Office
21 when it examined the '820 patent. You may decide how much
22 weight to assign to this fact based on the totality of the
23 evidence and circumstances.

24 As the party challenging the validity of patent
25 claims, Apple must show by clear and convincing evidence that

1 the prior art was not considered by the Patent Office. To
2 meet that burden, Apple must show that the prior art not
3 considered by the Patent Office is more relevant than art
4 that was considered by the Patent Office.

5 MR. BELL: I think maybe one -- just one
6 modification to that, your Honor. If we could -- it might
7 make sense to generalize from prior art to information or
8 evidence. That's consistent with i4i. It talks about new
9 evidence before the Patent Office. With that, we would
10 accept the instruction.

11 MR. PUCKETT: My understanding of i4i has always
12 been talking about references. And in particular, it's
13 talking about references that are considered on the face or
14 not considered on the face. And then others that may or may
15 not have turned up in a search.

16 So without a pinpoint citation or seeing some
17 language to that effect, I think we would object.

18 MR. BELL: I think -- one more point, Your Honor.
19 I think the Abbvie case that counsel cited to involved
20 indefiniteness, and so it involved an instruction in that
21 context, which was not -- obviously only not prior art.

22 THE COURT: Is there anything about that argument
23 that you have in mind?

24 MR. PUCKETT: I mean, if -- if it will be an agreed
25 proposal using the instruction that I just read into the

1 record, but expanding it so that it covers not just prior art
2 but new information, we would agree to that proposal.

3 THE COURT: Read it into the record one more time
4 with that modification just so we can have it cleanly tonight
5 when we're fixing this document.

6 MR. PUCKETT: Sure. Did Your Honor request me --
7 that I read with modification?

8 THE COURT: Yeah, as agreed, if you can do it.

9 MR. PUCKETT: Sure. I'm going to do my best. Let
10 me mark it up.

11 THE COURT: All right.

12 MR. PUCKETT: Okay. Your Honor, the proposed
13 instruction then would -- would read as follows:

14 In deciding the issue of invalidity based on a
15 prior art reference or other information, you may take into
16 account whether the prior art or other information was, or
17 was not, previously considered by the Patent Office when it
18 examined the '820 patent. You may decide how much weight to
19 assign to this fact based on the totality of the evidence and
20 circumstances.

21 As the party challenging the validity of the patent
22 claims, Apple must show by clear and convincing evidence that
23 the prior art or other information was not considered by the
24 Patent Office.

25 To meet that burden, Apple must show that the prior

1 art or other information not considered by the Patent Office
2 is more relevant than art that was considered by the Patent
3 Office.

4 THE COURT: Okay.

5 MR. BELL: If I may have a moment, Your Honor.

6 THE COURT: Sure.

7 MR. BELL: Your Honor, I think that's largely
8 unobjectionable. I would object, though, to the last two
9 sentences where it discusses the burden to show that the
10 prior art was not before the Patent Office.

11 I think we can show invalidity based on whether the
12 prior art was or wasn't before the Patent Office, and we
13 wouldn't want to leave the jury with the impression that we
14 had to show something was not in front of the Patent Office.

15 Otherwise, we have no objection.

16 THE COURT: Read the last part of that again.

17 MR. PUCKETT: Sure.

18 The last two sentences say: As the party
19 challenging the validity of the patent claims, Apple must
20 show by clear and convincing evidence that the prior art or
21 other information was not considered by the Patent Office.

22 To meet that burden, Apple must show that the prior
23 art or other information not considered by the Patent Office
24 is more relevant than art that was considered by the Patent
25 Office.

1 THE COURT: I can see where that might be a little
2 bit misleading. I think it would be helpful for you two to
3 have about five minutes together looking at the written
4 document and see if you can work it out. I think you're
5 close. We're going to take a brief recess.

6 MR. BELL: Certainly. Thank you.

7 COURT SECURITY OFFICER: All rise.

8 (Recess.)

9 COURT SECURITY OFFICER: All rise.

10 THE COURT: Be seated.

11 All right. Where are we?

12 MR. PUCKETT: Your Honor, with respect to the
13 instruction that we were discussing just before the break, we
14 got a lot closer during the break, and people are running
15 things up the flagpole and that sort of thing. So we would
16 ask permission if we could just table that discussion just
17 for a moment; and, perhaps, by the time that we get to the
18 end of this we may have some agreement, or at least be
19 substantially closer.

20 THE COURT: Sounds good to me.

21 MR. PUCKETT: Okay.

22 THE COURT: What's next?

23 MR. PUCKETT: Okay. So I'm on Page 17 of the
24 Court's document, Section 6.2 discussing obviousness. That
25 first comment is more by way of cleanup.

1 In the first paragraph there is a reference there
2 that says that this is -- this is the very end of that
3 paragraph -- "cannot be found in a single prior art reference
4 that would anticipate the claim."

5 Since the jury is not being instructed on
6 anticipation, we would suggest striking all of the language
7 after "a single prior art reference."

8 THE COURT: Yes. Any objection to that?

9 MR. BELL: No objection, Your Honor.

10 MR. PUCKETT: In the fourth paragraph of that
11 instruction that begins, "In determining whether a claimed
12 invention is obvious," we would suggest at the end of this
13 paragraph -- really it's just one sentence. So at the end of
14 this sentence, adding a clause saying "along with any
15 objective indicators of non-obviousness or secondary
16 considerations."

17 And we think that that should be there because
18 that's consistent with the way that the Graham factors are
19 stated and the, sort of, wealth of Federal Circuit authority
20 saying that you don't look at the art and the elements and
21 the scope of the content in the differences first and then
22 as, you know, a second step, you look at the secondary
23 considerations.

24 The law is pretty clear that in determining
25 obviousness, you are supposed to look at it all together.

1 And so we think that it makes sense there to instruct the
2 jury as a general matter that you look at all four of the
3 Graham factors in combination before they are given further
4 instructions about the specific factors.

5 THE COURT: So, tell me how that sentence would
6 read.

7 MR. PUCKETT: So, just adding onto the end of what
8 is there now. So at the end of that sentence now, it says
9 "and any differences between the prior art and the claimed
10 invention." And then we would suggest, comma, "along with
11 any objective evidence or secondary considerations that shed
12 light on the obviousness or not of the claimed invention."

13 MR. BELL: Your Honor, I think in this case there
14 hasn't been any evidence to support that instruction, a shred
15 of evidence regarding secondary consideration, certainly not
16 secondary consideration with a nexus to the invention claimed
17 here.

18 MR. PUCKETT: So we can have the discussion when we
19 get to the list just a little bit later on, about which of
20 those are supported or not. I think that we would disagree
21 that there hasn't been any evidence with respect to any of
22 them.

23 In particular, I think we would point to failure of
24 others, particularly with others in the standards committee
25 that were essentially looking at the same problem at the same

1 time but did not arrive at the same invention.

2 One of the secondary considerations is invention --
3 contemporaneous invention by others. The flip side of that
4 would be lack of contemporaneous invention by others. And,
5 so, at a minimum that would be one.

6 We can talk about others when we get to the list;
7 but for purposes of the paragraph that we're talking about
8 now, we think that sort of reference to the objective
9 evidence and the notion that it should be considered along
10 with the other Graham factors at the same time, would be
11 appropriate.

12 THE COURT: Okay. I'll allow this sentence.

13 What's next?

14 MR. PUCKETT: With respect to the next paragraph
15 that starts on the bottom of Page 17, I would say that we
16 would like to propose some additional instructions with
17 respect to this paragraph, particularly that was triggered by
18 testimony that we heard in court today.

19 Essentially, we think that the instruction here
20 does not sufficiently capture the seriousness of the proof
21 requirement with respect to the motivation to combine in the
22 case law such as the In re Kahn case and other more recent
23 cases.

24 THE COURT: I mean, this is straight from the model
25 charge. Your proposals seem to be ships passing in the

1 night. The Court put them both aside and put in the model
2 order, so I'd like to hear some authority on why we should
3 add to the model order.

4 MR. PUCKETT: Sure. So, first of all, if I may
5 ask, it is the Federal Circuit Bar model order?

6 THE COURT: It is.

7 MR. PUCKETT: Okay. So, your Honor in cases -- I'm
8 going to cite In re Kahn as an example, KSR, and other more
9 recent cases. It is repeatedly emphasized in the case law
10 that, perhaps, the most important aspect of obviousness, 103,
11 is avoiding hindsight bias.

12 And one of the primary ways that the law requires
13 that decisionmakers avoid hindsight bias is by requiring an
14 explicit rational underpinning for this motivation to combine
15 that is based upon specific and tangible evidence and not
16 general and vague claims of a motivation or reason to
17 combine.

18 And in particular, we were very troubled by
19 testimony that we heard from Dr. Acampora today where he
20 stated that he used the claims of the patent as a roadmap to
21 go and search for prior art that he could then put together
22 which, in the case law, is per se impermissible.

23 And, so, in combination with the importance of this
24 requirement in the case law for avoiding hindsight bias and
25 in combination with testimony that we heard from Dr. Acampora

1 today that he has used the patent as a roadmap, then we
2 believe that his testimony is infected with hindsight bias.

3 And so we would propose an instruction that
4 instructs the jury both on the importance of this requirement
5 and also that they should be wary of testimony that they
6 suspect is tainted with hindsight bias.

7 I have a proposed instruction that, if the Court
8 will permit me, I would like to read into the record.

9 THE COURT: Okay.

10 MR. PUCKETT: So CCE's proposed instruction that
11 would be inserted in the current Instruction 6.2 for
12 obviousness would state as follows:

13 In determining whether a person of ordinary skill
14 would combine the prior art references in the combinations
15 that Apple has suggested, it is extremely important to avoid
16 hindsight bias.

17 Whether a patent claim is invalid as obvious must
18 be determined by considering whether a person of ordinary
19 skill in the art would have been motivated to combine the
20 references at the time of the priority date of the invention.

21 To avoid hindsight bias, it is impermissible to use
22 the patent claims or specification itself as a roadmap for
23 reconstructing the claimed invention from elements found in
24 various prior art references because a person of ordinary
25 skill at the time would not have had access to the patent or

1 its disclosures at the time of the priority date of the
2 patent.

3 You should disregard any testimony on the issue of
4 obviousness if you believe the testimony is infected with
5 hindsight bias.

6 THE COURT: And what is your authority for that
7 proposed instruction?

8 MR. PUCKETT: So, for the substantive components in
9 the importance of hindsight bias, I would cite In re Kahn.
10 I'll give your Honor a specific -- pardon me, your Honor. I
11 don't have the specific citation in front of me, but I will
12 have it for you in just a moment.

13 Also we cite, of course, KSR versus Teleflex, 550
14 U.S. 398. And I would just say, your Honor, that there are
15 literally hundreds of cases that essentially talk about how
16 avoiding hindsight bias is the most important task in the
17 obviousness determination.

18 And then I don't have a specific cite offhand -- I
19 could find one very, very quickly -- on the impermissibility
20 of using the patent as a roadmap. That's just really a
21 statement of black letter law. I wasn't in here to hear his
22 testimony today, so I don't have a citation in hand. But we
23 are happy to provide that to your Honor if you would like.

24 THE COURT: Okay. Response?

25 MR. BELL: Just a few points, your Honor.

1 Number one, I think all of this language that you
2 heard was not in any proposal prior to now. I'm looking back
3 at what I believe is the prior proposal by CCE. It is a much
4 more limited instruction.

5 It just says: "You must be careful not to
6 determine obviousness using hindsight. Combining two
7 inventions can seem obvious after the fact."

8 And I think the Court's proposed instruction as it
9 currently stands, already adequately addresses hindsight. It
10 says: "Do not use hindsight; i.e., consider only what was
11 known at the time of the invention."

12 And, ultimately, it is a factual question for the
13 jury whether there was sufficient motivation to combine. I
14 think the jury can look at all of the evidence and reach and
15 appropriate conclusion.

16 MR. PUCKETT: We think the instruction is
17 necessitated -- some instruction was warranted, and we
18 requested some instruction on hindsight bias. But given the
19 testimony of Dr. Acampora today, we think that particular
20 instructions are important here both on the reports of the
21 requirement and more specifically on how particular testimony
22 cannot be infected with hindsight bias.

23 THE COURT: Read me the first part of your proposed
24 instruction again.

25 MR. PUCKETT: Yes, your Honor. The proposed

1 instruction begins:

2 In determining whether a person of ordinary skill
3 would combine the prior art references in the combinations
4 that Apple has suggested, it is extremely important to avoid
5 hindsight bias.

6 Whether a patent claim is invalid as obvious, must
7 be determined by considering whether a person of ordinary
8 skill in the art would have been motivated to combine the
9 references at the time of the priority date of the invention.

10 That's the first part of the instruction.

11 THE COURT: I'll allow that through that part. I'm
12 not going to include the part about the roadmap. I guess
13 that's the second part of your instruction.

14 Is that where you're going next?

15 MR. PUCKETT: Yes.

16 THE COURT: Okay. I'm not going to include that
17 part, but I will include this first part that you've just
18 tendered to the Court.

19 And, you know, on page --

20 MR. BELL: Your Honor, if I can make one point?

21 THE COURT: Sure.

22 MR. BELL: If your Honor is inclined to adopt that,
23 we would request to remove the word "extremely." That is
24 fairly inflammatory.

25 THE COURT: Okay. Yes. I will remove the word

1 "extremely."

2 On Page 18 I say: "Do not use hindsight; i.e.,
3 consider only what was known at the time of the invention."

4 So, what I don't want to do is insert this on 17
5 and then say it again on 18. Do we need to strike this
6 sentence on 18, or is this the more appropriate place to put
7 your proposed instruction?

8 MR. PUCKETT: So, we think that the instruction
9 that we have proposed is just two sentences; but we think
10 that it is a stronger statement of the importance even if the
11 word "extremely" is omitted. And so we would prefer to use
12 the instruction that we proposed.

13 MR. FINDLAY: Your Honor, may we make an alternate
14 suggestion?

15 THE COURT: Yes.

16 MR. FINDLAY: I think you've correctly pointed out
17 several times it is already here on Page 18. We don't think
18 there is any reason to emphasize it more; but if you are
19 inclined to do that to some extent, we could just put: "It
20 is important not to use hindsight," just add that.

21 We don't think we need it. We would object. We
22 think the model order is sufficient. We think what you have
23 here is perfectly in line with the law, so that would be our
24 first proposal. But if you are inclined to give them
25 something, I think that takes -- that would be as much as we

1 should do.

2 MR. PUCKETT: We don't think this should be a weak
3 instruction, given the importance that this is given in the
4 law of obviousness. I mean, all of the obviousness cases
5 start with the idea that you can go and scour prior art and
6 you can find all of the elements for almost everything.

7 THE COURT: Okay. We're going to insert the first
8 part of your proposed instruction minus the "extremely." My
9 question is, where are we going to put it? If we're
10 inserting it in this last paragraph on Page 17, where?

11 MR. PUCKETT: I have no objection to inserting it
12 on 18 where the Court currently has a reference to hindsight.

13 THE COURT: Okay. And, so, we're going to replace
14 this sentence that says, "Do not use hindsight" with this
15 proposed instruction. It seems awfully redundant to have
16 them both in there. Is that right?

17 MR. PUCKETT: Yes. We would suggest replacing it,
18 yes.

19 THE COURT: All right.

20 MR. PUCKETT: And your Honor ruled on what was the
21 next sentence in my proposed instruction, which is the
22 roadmap. You're not going to include that.

23 THE COURT: Right.

24 MR. PUCKETT: We did have a sentence at the end
25 that said: "You should disregard any testimony on the issue

1 of obviousness if you believe the testimony is infected with
2 hindsight bias."

3 THE COURT: I'm not going to include that, either.
4 What's next?

5 MR. PUCKETT: So, your Honor, on 18 there is a list
6 of factors or ways in which a party can show a motivation to
7 combine. And we don't have objection sort of as a matter of
8 law to any of these, so they haven't been objected to. But
9 we don't think that most or perhaps any of them fit the facts
10 in terms of what has been actually offered into evidence by
11 Apple in this case.

12 I'm going to be corrected if I'm wrong; but I don't
13 recall testimony from Dr. Acampora, for example, talking
14 about predictable results and known elements in the prior
15 art. We can kind of go through them one by one if you want
16 to kind of get a response; but, for example, I don't think
17 that one is supported by the facts in evidence.

18 THE COURT: Response?

19 MR. BELL: I think a general instruction and the
20 proposition of just sticking with the Court's instruction
21 based on the model rule. We think the jury can decide
22 whether such factors as the following are relevant.

23 THE COURT: All right. I'm going to leave that as
24 it is.

25 What is next?

1 MR. PUCKETT: Okay. Your Honor, we're -- I'm at
2 Section 6.3 now, Improper Inventorship. And the first thing
3 that I'll note is that the Court did not include our proposed
4 instruction with respect to corroboration. It was Section
5 6.2, I believe, of the document that was filed this morning.

6 And so we would renew our request for the
7 Instruction 6.2 that is on Page 27 of the Docket No. 284-1
8 that was filed this morning.

9 Given the importance of the corroboration
10 requirement in the law of misjoinder or improper
11 inventorship, we think that it is very important to instruct
12 the jury on this concept.

13 The cases are pretty clear that you first have to
14 have some evidence, typically direct testimony from an
15 inventor who claims to be an inventor; and then that person's
16 testimony must be corroborated by clear and convincing
17 evidence. This is a very strict requirement. It requires
18 corroboration of a contribution to the complete conception of
19 at least one claim of the patent.

20 And, frankly, in most of the cases that are out
21 there in this area of law, the finding is that the proof
22 failed to meet the corroboration requirement; and, so, for
23 that reason we think it is particularly important that the
24 jury receive a corroboration instruction.

25 THE COURT: All right. Response?

1 MR. BELL: Thank you, your Honor. A couple of
2 things. We think this is pretty important. The
3 corroboration requirement is two-way. It's not one-way. And
4 the instruction as proposed now just suggests that Apple has
5 the burden to show corroboration for any oral testimony that
6 it is trying to use to invalidate the patent, and that is not
7 consistent with the law. The law is such -- and one of the
8 cases I would point Your Honor to is the Colorado University
9 case where a named inventor's testimony was required to be
10 corroborated in a case challenging that named inventor as a
11 true inventor.

12 So we think our instruction and the Court's
13 proposed construction is consistent with that. It is
14 included in line in the inventorship instruction itself, and
15 it fully takes into account the required corroboration. And
16 it makes clear that it can take many forms, including, for
17 example, contemporaneous documents, circumstantial evidence,
18 and so on.

19 MR. PUCKETT: Just very quickly, Your Honor, on the
20 issue of it being bilateral. I think the law here is that
21 regardless of who the party is, if you are trying to claim
22 conception of an invention, that requires corroboration.

23 So that is true in the context of where someone is
24 trying to prove up an earlier priority date to a patent
25 application through proof of conception and diligent

1 reduction to practice.

2 And we wouldn't oppose that construction if we were
3 trying to do that in this case, but we're not. And so the
4 reason that it is a bilateral -- I mean, that it is a
5 unilateral, one-way instruction here dealing with Apple's
6 proof is because Apple is the only one in this case that is
7 trying to prove up some element of conception on behalf of
8 some inventor, which we think the cases say always requires
9 corroboration.

10 MR. BELL: Your Honor, one more word, if I may.

11 THE COURT: Yes.

12 MR. BELL: The Colorado University case is pretty
13 close and on point here, and it is a situation where other
14 parties -- two other parties were claiming to be
15 co-inventors.

16 There was a named inventor and the Court required
17 corroboration for that named inventor's oral testimony in
18 very similar circumstances that we have here, and ultimately
19 the Court found it was instantiated. So we think the
20 corroboration requirement is very clearly bilateral even in
21 the present circumstances.

22 The question Apple is looking -- is whether
23 Mr. Sebire is the true inventor, which requires you look at
24 conception; and that ultimately if they are relying on only
25 uncorroborated testimony by Mr. Sebire, then that is not

1 sufficient.

2 MR. PUCKETT: Well, the difference here is that
3 he's the named inventor, and it has been examined and issued
4 by the Patent Office, and so there is a presumption that the
5 named inventors have been named properly.

6 And so we're not trying to disturb, essentially,
7 the face of the patent through oral testimony, so I think
8 that -- I don't have the Colorado case in front of me; but it
9 sounds like from that description, that it is consistent with
10 what our understanding of the law is, which is when anyone
11 tries to prove up conception in a situation where they are
12 required to prove it up beyond the presumption that that was
13 issued with the proper inventorship, then corroboration is
14 required. And it is a very, very important and a very strict
15 requirement.

16 THE COURT: Go ahead.

17 MR. BELL: And I would just say that that is
18 exactly what we have here is what happened in Colorado, so
19 very similar circumstances. The Court required corroboration
20 even though it was the named inventor and even though it was
21 other parties challenging that named inventor to effectively
22 kick that named inventor off.

23 The Court still required corroboration, and the
24 proposed -- excuse me -- freestanding corroboration
25 instruction that we have here does not account for both

1 sides; whereas, I think the Court's proposed instruction in
2 line with the inventorship instruction itself exactly has the
3 bilateral nature appropriately.

4 THE COURT: I'm looking at this proposed
5 instruction for the first time; so, bear with me. Just let
6 me look at it.

7 To the extent that there really is a dispute that
8 needs to be corroborated with regard to Mr. Sebire's
9 testimony, I mean, could we not change the Plaintiff's
10 proposed instruction to: "Oral testimony alone is
11 insufficient to prove inventorship by clear and convincing
12 evidence"? That takes out Apple's inventorship. We're
13 getting rid of derivation, so that's not going to be in there
14 anyway.

15 MR. PUCKETT: So I don't think we have a burden to
16 prove anything on inventorship. I mean, we have a
17 presumption, and this is their defense, and so they bear the
18 entire burden on this. And so we don't think that it would
19 be appropriate to say that that testimony needs to be
20 corroborated.

21 It is presumed -- he is presumed to be the
22 accurately named inventor. The presumption of validity
23 attaches in this context just like in any other validity
24 challenge, and so we don't think that we are trying to prove
25 up anything with -- and just to be clear, this requirement of

1 corroboration doesn't attach to an inventor or even alleged
2 inventor's testimony on everything that's involved in the
3 case, only specifically with respect to --

4 THE COURT: Okay. I'm going to insert this
5 instruction. We're going to remove the "or derivation" from
6 the first sentence. So it would just say: "Oral testimony
7 alone is insufficient to prove Apple's inventorship defense
8 by clear and convincing evidence."

9 And I guess we're going to put that in place of
10 this sentence at the bottom of Page 20 where it says: "Oral
11 testimony regarding inventorship."

12 MR. BELL: Your Honor, if I may make one request?

13 THE COURT: Sure.

14 MR. BELL: If Your Honor is inclined to do that --
15 and it sounds like you are -- we would suggest that it remain
16 as a freestanding instruction rather than, in fact, in our
17 view the inventorship requirement.

18 THE COURT: Okay.

19 MR. BELL: So that we keep the sentence in there
20 that very clearly still requires corroboration in that
21 context as well.

22 THE COURT: Well, okay. Do you have any objection
23 to that?

24 MR. PUCKETT: I actually don't, Your Honor. I
25 think it would be appropriate to have the -- to introduce the

1 concept of corroboration requirement here at the end of this
2 instruction, and I think it would be appropriate for it to be
3 the next instruction.

4 THE COURT: Okay. So we are leaving 6.3 as it is.
5 And then the new 6.4, where derivation used to be, will be
6 this proposed 6.2 from your Document 284 at Page 27 with the
7 changes that I just indicated. All right?

8 MR. PUCKETT: Thank you, Your Honor.

9 THE COURT: I'm doing that for the benefit of my
10 poor law clerk who has to fix all of this tonight.

11 What's next?

12 MR. PUCKETT: Your Honor, I think that you've
13 largely adopted what we've requested in terms of the
14 instruction on inventorship, but one concept was omitted.
15 I'm going to look to find the specific language, but it
16 essentially goes to this idea that there is a presumption
17 that the inventorship had been named correctly.

18 And so I'm looking at the proposal, Docket
19 No. 284-1. This is on Page 35, the last paragraph -- I'm
20 sorry -- the first sentence of that last paragraph of our
21 proposal: "After a patent is examined and allowed by the
22 USPTO, it is presumed that the inventors have been correctly
23 named on the patent. To prevail on its inventorship defense,
24 Apple must prove by clear and convincing that a natural
25 person."

1 So --

2 THE REPORTER: I'm sorry. I'm sorry.

3 MR. PUCKETT: I'm sorry.

4 THE REPORTER: When you're reading, if you could
5 just read a little slower.

6 MR. PUCKETT: I will.

7 THE REPORTER: Thank you.

8 MR. PUCKETT: My apologies.

9 THE REPORTER: That's fine.

10 MR. PUCKETT: So a couple of concepts here, then.

11 First of all, the idea of the presumption and the
12 burden of proof. And then also, there's some discussion
13 about this with respect to the Rule 50 motion, but we would
14 want to add in the instructions that only a natural person
15 can be an inventor and not a corporation.

16 We think that that concept is very important in
17 this case, given the testimony and this joint proposal that
18 has been referred to repeatedly as an Ericsson proposal in
19 testimony regarding what certain companies may or may not
20 have contributed to the invention.

21 We think that the case law is very clear on this.
22 There's a quote that's out there from the Federal Circuit. I
23 don't have the case in the binder because it's 20 years old
24 or something; but, you know, very plainly the Federal Circuit
25 has said people invent -- corporations don't invent, people

1 do. And the cases that we have cited that are more recent
2 stand for the same proposition.

3 This is a -- it's actually a -- I believe it's been
4 referred to as a constitutional matter because the U.S.
5 Constitution authorizes that Congress to award the rights to
6 patents to inventors which has been read to be natural
7 persons. And so this is black-letter law. And we think that
8 they cannot meet their burden of proof with evidence showing
9 that a company essentially contributes to an invention
10 because a company cannot be an inventor as a matter of law.

11 THE COURT: This is, just for the record, another
12 instance where what I used was the model order on
13 inventorship from the Bar, so they don't include anything
14 about a natural person. But I am familiar with the case law
15 that you're citing.

16 What -- is there an objection to that?

17 MR. BELL: I apologize, Your Honor. If counsel
18 could point me to where that's in the last joint proposal.
19 I'm just having trouble finding that language.

20 MR. PUCKETT: Sure. It is on Page 33, I believe --
21 I'm sorry -- 35. So the joint proposal, Document 284-1, that
22 was filed this morning. It's on Page 35. It's the last full
23 paragraph of our proposal beginning, "After a patent examined
24 and allowed by the USPTO."

25 So we would request insertion of the entirety of

1 that paragraph.

2 And I should say -- my apologies -- there is some
3 language in here that would be duplicative of what is already
4 in the instruction with respect to corroboration. So our
5 request at this time is for insertion of the first three
6 sentences of that paragraph. That would end with "that led
7 to one or more of the claims of the '820 patent."

8 MR. BELL: If I could have just a moment, Your
9 Honor?

10 THE COURT: Sure.

11 MR. BELL: Okay. A couple thoughts, Your Honor.

12 Thank you.

13 So I think our position would be we would object to
14 any changes, and we would prefer to go with the model rule.

15 To the extent Your Honor is inclined to do
16 otherwise, then we certainly must change the language that
17 says "a natural person other than." The case law is clear
18 that it can be a group of people. There is no requirement
19 that it be one.

20 And we would also suggest that it say "made a not
21 insignificant contribution" consistent with the Court's other
22 language.

23 And then if we're going to add this instruction, we
24 would also add -- request to add an instruction that says
25 "any single claim or element of a claim is sufficient to show

1 the inventorship," or something to that effect. But I think
2 our preference would be just to stay as it is.

3 MR. PUCKETT: So a couple things there.
4 The one thing that I want to object to would be language that
5 suggests that the contribution of an individual can be with
6 respect to less than all of the elements of a claim. And my
7 understanding of this law -- I've been studying it very
8 carefully -- is that while a co-inventor does not have to him
9 or herself conceive of an entire -- an entire claim, that the
10 person must contribute to a joint effort that arrives at the
11 conception of an entire claim.

12 And so particularly if there were a suggestion that
13 contributing to an element --

14 THE COURT: I'm going to stop you right there. I'm
15 not including that because I already have language on Page 20
16 to that effect where it says: "Persons may be joint or
17 co-inventors even if they do not alone conceive of the entire
18 invention, even if they do not make the same type or amount
19 of contribution, and even if they do not contribute to the
20 subject matter of each claim of the patent."

21 So let's -- let's focus on the disputed language
22 here so we can move this along.

23 MR. PUCKETT: Okay. Okay, Your Honor, in 7
24 point --

25 THE COURT: No, wait. What about this notion that

1 the objection to "that a natural person" needs to be -- can
2 be more than one?

3 MR. PUCKETT: Yes. So we don't -- if the request
4 is that -- that it has to be one or more natural persons that
5 are unnamed, we -- that's accurate.

6 THE COURT: Is "one or more" fine with you? If I'm
7 going to put this in here as "one or more" --

8 MR. BELL: Yes, Your Honor. We still have the
9 objection, but "one or more" would be appropriate.

10 THE COURT: All right. Let me see if I can read
11 this into the record. We're going to add in:

12 After a patent is examined and allowed by the
13 United States Patent and Trademark Office, it is presumed
14 that the inventors have been correctly named on the patent.

15 To prevail on its inventorship defense, Apple must
16 prove by clear and convincing evidence that one or more
17 natural persons other than Benoist Sebire made a...

18 Do we have any objection to "a not insignificant
19 contribution"? I think that was another point of contention.

20 MR. PUCKETT: So I would -- I mean, I prefer to
21 avoid double negatives, so I think "a significant
22 contribution" is correct. The fact is you can find cases
23 that state it both ways, to be fair. So I just think it's
24 best to avoid double negatives, and I prefer "significant
25 contribution."

1 THE COURT: Is it a material difference for you?

2 MR. BELL: I think -- I think counsel is right.

3 There are cases going both ways. I think it's just what the
4 Court's -- I believe the initial usage here was not
5 insignificant, just for --

6 THE COURT: Okay. So we'll keep it: "Sebire made
7 a significant contribution to the conception of the invention
8 that led to one or more of the claims of the '820 patent."

9 And we're going to add that where?

10 MR. PUCKETT: I think we would be okay with just
11 adding it to the end of the current instruction, 6.3.

12 THE COURT: All right. What's next?

13 MR. PUCKETT: And so my understanding is 6.4,
14 "derivation" will be coming out?

15 THE COURT: Yes. And we'll be adding the
16 corroboration language here.

17 MR. PUCKETT: So, Your Honor, I'm at 7.4 now,
18 Page 23. And the last full paragraph that begins, "A
19 reasonable royalty award must be based on the incremental
20 value."

21 And in the second sentence there it says: "In
22 determining a reasonable royalty, you should consider all the
23 facts known and available to the parties at the time of the
24 infringement."

25 There were some competing instructions, perhaps, in

1 the old versions, and I think maybe all of this has sort of
2 fallen out, but it's this idea of whether and to what extent
3 the jurors can consider after-arising facts. I think that
4 there are facts in evidence that are not controversial that
5 they are entitled to rely upon.

6 I don't like this phrase, but the cases talk about
7 this Book of Wisdom. So the parties at the hypothetical
8 negotiation know about things that are going to happen in the
9 future such as, for example, the number of units that
10 ultimately become sold over the infringing period, licenses
11 that occur after the date of the hypothetical negotiation,
12 things like that.

13 And so we would propose just putting a sentence at
14 the end here that says that -- the -- that you may also
15 consider facts arising after the date of the hypothetical
16 negotiation to the extent they are of assistance in
17 determining the amount of a reasonable royalty.

18 THE COURT: Response.

19 MR. BELL: No objection.

20 THE COURT: Okay.

21 MR. PUCKETT: Your Honor, on Page 25 we object to
22 the inclusion of the paragraph at the bottom regarding the
23 LTE standard. This, I believe, may be the subject of one of
24 our Rule 50 motions. But under the case law, particularly
25 the Ericsson versus D-Link case, it imposes -- so, first of

1 all, I want to differentiate and want to address separately
2 the standard whether -- standard essential patents versus
3 FRAND obligations.

4 And so -- but in either of those contexts we
5 believe that D-Link very clearly says that it is Apple's
6 burden to establish the existence of a standard essential
7 patent, and we don't think that there has been evidence
8 presented in this case to support this instruction, and we'll
9 be presenting that in a Rule 50 motion.

10 In particular in this context, the Court in the
11 D-Link case was very careful and very explicit to point out
12 that they -- allegations that there are standard essential
13 patents that are out there, that that is insufficient to
14 support a finding -- an instruction or a finding that a
15 patent is standard essential. And so we think that -- that
16 Apple just hasn't met its burden of proof on this.

17 THE COURT: Response.

18 MR. BELL: A couple things, Your Honor. This
19 language, I think, is taken verbatim from their proposal.

20 And so on that basis alone I would object to
21 changing it.

22 And also, I would note that there is testimony
23 here. Mr. Sebire testified that the claimed invention was in
24 the standard. And so I think that instruction is fully
25 supported in the law and the facts.

1 THE COURT: I do believe you proposed this and --

2 MR. PUCKETT: Well, your Honor, we've -- there was
3 a detailed FRAND instruction that was proposed. We didn't
4 put it in the instructions because the evidence and the proof
5 was evolving; but now that we are at the close of the
6 evidence the -- and as I mentioned I believe that we're going
7 to submit a Rule 50 motion on this, but we believe that Apple
8 just simply did not carry its burden on this point.

9 THE COURT: Okay. So let me hear the remainder of
10 your objection besides they want to --

11 MR. BELL: Yes, Your Honor.

12 There was testimony earlier in the case before they
13 made a proposal before today. Mr. Sebire testified that the
14 claimed invention was incorporated into the standard. I
15 think there is sufficient evidence for the jury to consider
16 that. And my colleague would like to add --

17 THE COURT: That's fine. You can jump in,
18 Mr. Findlay, if you have something.

19 MR. FINDLAY: Okay. Just that he went so far I
20 think as to admit that he believed on -- that question was on
21 counsel that every phone or device in the world that
22 practiced LTE was infringing his patent and that made him
23 feel good about it.

24 So that's -- there's no question that in the record
25 there is ample evidence that the Plaintiffs believe that this

1 patent is essential to LTE.

2 THE COURT: Response.

3 MR. PUCKETT: There has been testimony around the
4 edges. We think that language from the Ericsson versus
5 D-Link case imposes a higher standard than just some vague
6 allegations that, perhaps, something is standard essential.

7 We'll raise this as a Rule 50 motion and want to
8 preserve error by objecting to the instruction.

9 THE COURT: Okay. That's overruled. We'll keep it
10 in there.

11 What's next?

12 MR. PUCKETT: Your Honor, on the top of Page 26,
13 the instruction with respect to non-infringing alternatives.

14 First of all, we object to the inclusion of any
15 instructions on this because we don't believe that Apple has
16 met its burden to establish the existence of an alternative
17 that is non-infringing and was available at the relevant time
18 of the hypothetical negotiation and also acceptable because
19 it would achieve the technical benefits of the claimed
20 invention.

21 So as an initial matter, we object to any inclusion
22 of an instruction in this regard. And to the extent that the
23 Court overrules our objection, is inclined to include the
24 instruction that then we would have suggested modifications.

25 THE COURT: Okay. Response.

1 MR. BELL: One moment, Your Honor.

2 Your Honor, I believe there was testimony about the
3 ex-ante situation before the standard was adopted. I believe
4 there was testimony from --

5 MR. FINDLAY: There was testimony from Mr. Bakewell
6 about ex-ante and the proposal to do always a long BSR. And
7 his discussions with Mr. Frappier, and I think, perhaps,
8 others. So there definitely was testimony of that in the
9 record.

10 MR. PUCKETT: And then the response there, Your
11 Honor, is that that proof would fail to meet Apple's burden
12 to show that the proposed non-infringing alternative was
13 acceptable in the sense that it achieved technical benefits
14 that are achieved by the claimed invention.

15 MR. BELL: Your Honor -- I'm sorry.

16 THE COURT: Go ahead.

17 MR. BELL: I was going to say I believe Mr. Stattin
18 also testified as to the process of developing this standard
19 that there were multiple decision points that they could have
20 gone down, including on one of the slides -- I believe it was
21 Slide 11 of the presentation -- where there were two
22 alternatives for the BSR selection process. One, which was
23 ultimately adopted, which was select long or short based on
24 the number of buffers; and the other one I believe was select
25 based on the amount of data in the buffers or meeting some

1 threshold, or something to that effect.

2 But, in any event, he definitely testified that
3 there were multiple paths they could have gone down.

4 THE COURT: What's your proposed tendered
5 alternative instruction?

6 MR. PUCKETT: So just to be clear for the record,
7 I'm tendering this instruction as an alternative but
8 preserving our objection that there should be no instruction
9 on -- on alternatives.

10 Our proposed instruction, if the Court is inclined
11 to submit one, is as follows:

12 In determining the amount of reasonable royalty
13 damages, you may consider whether acceptable non-infringing
14 alternatives to the patented -- patented invention were
15 available to Apple at the time of the hypothetical
16 negotiation.

17 Apple bears the burden of proof to show by a
18 preponderance of the evidence that the alleged alternative
19 was; one, non-infringing; two, available to Apple at the time
20 of the hypothetical negotiation; and, three, acceptable.

21 To be available, the alleged non-infringing
22 alternative must have been feasible and capable of being
23 implemented by Apple at the time of the hypothetical
24 negotiation. To be acceptable, the alleged non-infringing
25 alternative must have been able to achieve the advantages of

1 the patented invention.

2 MR. BELL: Your Honor, I would object to that
3 instruction. I don't think it accounts for the ex-ante
4 situation we're talking about. It talks about what was
5 available to Apple at the time of the alleged infringement;
6 whereas, a proper analysis also incorporates, as we talked
7 about, that earlier decision point where you could have
8 branched two different ways, back when the standard was
9 adopted in 2008 or 2009.

10 THE COURT: Okay. I'm going to leave the
11 instructions as they are.

12 What's next?

13 MR. PUCKETT: Your Honor, I'm getting very close to
14 the end here.

15 So on the same page, 26, Instruction 7.5, this sort
16 of goes hand-in-hand with the argument that they did not
17 prove that these were standard essential patents. But here
18 the -- we think that the Ericsson versus D-Link case imposes
19 a very strict requirement that they haven't met.

20 In particular, what Ericsson versus D-Link says is
21 that if there are FRAND obligations -- if the Court finds
22 that there are and the jury should be instructed that there
23 are, that the Court is supposed to instruct the jury on the
24 precise FRAND obligation that arise in the context of the
25 facts of this case.

1 So, for example, by virtue of contract or
2 participation in a standard setting body, an agreement to
3 abide by certain IPR contribution policies, we don't think
4 that a general instruction that merely encourages the jury to
5 consider FRAND obligations would be sufficient to meet the
6 requirements of Ericsson versus D-Link.

7 And what it highlights is the fact that Apple has
8 not offered proof that CCE, in particular, who, by the way,
9 did not participate in any standard setting body. That was a
10 prior owner of the patent, and Apple has not offered proof or
11 argument that -- that CCE assumed any FRAND obligations, if
12 they existed at all.

13 And, certainly, Apple has not shown the particular
14 obligations that would arise under FRAND in the context of
15 this case and given the IPR policies of 3GPP at issue in this
16 case.

17 THE COURT: Response.

18 MR. BELL: Your Honor, I would just -- this is sort
19 of wrapped up, I think, with one of our few objections to the
20 jury instructions. We would take the position that we would
21 prefer the entire proposed FRAND instructions, which also in
22 particular includes instructions on portioning between the
23 standard essential parts.

24 And the rest of the standard, we think that's a
25 fairly important part of the calculation that the jury is

1 required to only calculate the damages based on value of the
2 technology in the patent itself, not the broader standard or
3 anything else.

4 And so for that reason we would object to changing
5 from the larger one.

6 But to go to counsel's point, I think we did see
7 some testimony here, including from CCE's expert, on FRAND
8 calculations. And so we think it makes sense to allow the
9 jury to weigh in on that.

10 THE COURT: I'm looking at Apple's proposal in
11 Document 284, which is 7.5 on Page 48. I'd be interested in
12 hearing your objections to this proposal. I don't see a
13 counter-proposal from you-all, obviously because you don't
14 want to have one. But what specifically about this proposed
15 instruction is objectionable?

16 MR. PUCKETT: So a couple things, Your Honor. And
17 I think in the way that this proposed instruction is written
18 is that it conflates the idea of a standards essential patent
19 versus a RAND or a FRAND patent. The Ericsson versus D-Link
20 case very importantly treats them differently.

21 And, Your Honor, I believe, chose to leave in the
22 instruction that is on the bottom of Page 25 of the Court's
23 proposal regarding standard essential patents. And that
24 the -- that the value of the invention versus the value of
25 being in the standard must be apportioned. So that's in

1 there. Okay?

2 So this additional instruction, 7.5 -- and I'm
3 sorry. I'm going to answer Your Honor's question about their
4 proposed instruction. Okay? So our first is that it's
5 conflated, two issues. But particularly with respect to just
6 the portions that deal with FRAND obligations, the objection
7 would be that they have not tailored the instruction to any
8 particular FRAND obligations that they have proven up, given
9 the facts of this case.

10 Ericsson versus D-Link is very clear about this:
11 In deciding whether to instruct the jury on -- I'm sorry.
12 That's the wrong...

13 Sorry. Just give me one moment.

14 I don't want to hold up the Court, but I'm looking
15 for a pinpoint cite. But, essentially, the Ericsson versus
16 D-Link case says that if you're going to do a FRAND
17 instruction, it has to be specifically tailored to the exact
18 requirements that are part of the IPR policy or whatever it
19 is that gives rise to these FRAND obligations.

20 Ericsson versus D-Link talks about how, you know,
21 every FRAND obligation is not the same. You could -- there
22 could be a whole spectrum of, you know, contribute everything
23 that you have for free versus put it in a pool and get a lot
24 of royalties or -- I mean, FRAND and RAND obligations are all
25 over the map. And -- and so the instruction has to be

1 tailored to the facts of the case.

2 And it's those details -- well, it's the existence
3 of FRAND obligations and lack of proof on the details of what
4 those obligations would be. That is why we don't believe
5 that any instruction is warranted at all.

6 So just -- and here's my pinpoint. So this is from
7 the Ericsson versus D-Link case: Rather than instruct the
8 jury to consider, quote, Ericsson's obligation to license its
9 technology on RAND terms, the Trial Court should have
10 instructed the jury about Ericsson's actual RAND obligations.

11 RAND terms vary from case to case. A RAND
12 commitment limits the market value to what the patent owner
13 can reasonably charge for use of it, of the patented
14 technology. The Court, therefore, must inform the jury what
15 commitments have been made and of its obligation, not just
16 option, to take those commitments into account when
17 determining a royalty award.

18 That's what's required. And that level of detail
19 is not in the proposed instruction or the Court's instruction
20 because it hasn't been proven by Apple.

21 THE COURT: Response.

22 MR. BELL: Your Honor, Ms. LaHatte would like to
23 speak now.

24 THE COURT: Okay.

25 MS. LAHATTE: Good afternoon, Your Honor.

1 Just for a little context, I think it would be
2 helpful. Our proposed instructions is almost verbatim for
3 the instruction that was given by Judge Gilstrap in the
4 recent Core Wireless case.

5 And in that case it involved the same ETSI IPR
6 policy. And we've heard evidence from both damages experts
7 and Ms. Mewes about the considerations that would happen in
8 the licensing agreements; and, for example, the FRAND terms.
9 And we believe that this would be an appropriate instruction.

10 And Judge Gilstrap, he also was very wise. He
11 actually quoted Ericsson verbatim throughout the instruction,
12 and I can give Your Honor pin cites if she would prefer. But
13 the legal section is straight from Ericsson, so I --

14 THE COURT: The legal section you proposed here?

15 MS. LaHATTE: Yes, Your Honor.

16 MR. PUCKETT: And obviously, I don't know anything
17 about what the facts of that case were. I didn't participate
18 in that trial, and so I don't know what evidence came in.

19 And I would even suggest, perhaps, that where the
20 Federal Circuit is saying that you must tailor the
21 instruction to the specific facts of a particular case, that
22 that suggests that it's inappropriate to borrow an
23 instruction from another case that was developed on different
24 facts.

25 And so we maintain our objection that -- that Apple

1 has simply failed to meet its burden of proof and is not
2 entitled to any instruction on this issue.

3 THE COURT: And it's your representation that the
4 facts in Judge Gilstrap's case involved the same standard and
5 standard setting body that is at issue in this case?

6 MS. LaHATTE: Yes, Your Honor.

7 THE COURT: All right. I'm going to replace my
8 Section 7.5 with Apple's proposed Section 7.5 on Page 48 of
9 Docket No. 284.

10 What's next?

11 MR. PUCKETT: Your Honor, with respect to your last
12 order incorporating 7.5, we would renew our objections as
13 previously stated, particularly with respect to the inclusion
14 of any language in here conflating the issues of FRAND
15 obligations with standard essential patents.

16 THE COURT: Thank you. Your objection is
17 overruled.

18 What's next?

19 We've got to move it along, guys. We've been at
20 this a while.

21 MR. PUCKETT: So, Your Honor, I think that's all
22 that I have with respect to the instructions. I have just a
23 couple of quick comments on the verdict form if you want to
24 look at those now.

25 THE COURT: Sure.

1 MR. PUCKETT: So with respect to -- so, first of
2 all, we have no objection to the first question.

3 With regards to the second question, Your Honor
4 has -- has collapsed the invalidity questions into a single
5 question. So we would make two requested modifications.

6 One is that we propose separating out the
7 inventorship issue into a separate question.

8 And -- and we also would urge the Court to include
9 a second question or a sub question, if you will, that is
10 similar to what Judge Mazzant requested in the Oasis case,
11 which is if the jury does find that there was a failure to
12 name a person who should have been named, that the jury state
13 who that person is. And that's consistent with the
14 requirement that there must be a finding that a natural
15 person is -- would be a named inventor and -- and not a
16 corporation.

17 On the facts of that Oasis case, that was actually
18 very helpful to helping the Judge resolve the -- the
19 post-trial motions because it exposed some inconsistencies
20 in -- in the verdict that led them to ultimately set aside
21 the jury's verdict on that issue.

22 So we would request those two modifications to
23 Question 2.

24 THE COURT: What's the legal basis for your request
25 for separate questions on the issues?

1 MR. PUCKETT: So my -- is your question with
2 respect to separating out obviousness versus inventorship?

3 THE COURT: Yes.

4 MR. PUCKETT: So as you heard Apple say a moment
5 ago -- and I don't think we disagree -- is that whereas
6 obviousness is determined on a claim-by-claim basis, the
7 issue of inventorship is determined with respect to the
8 entirety of the patent.

9 And so we -- I want to specify that we're sort of
10 making these two requests hand-in-hand, right, separating it
11 out and then asking for the inventor.

12 If Your Honor is not inclined to give us the
13 sub-instruction, we're okay with collapsing these into a
14 single question and think that this could be handled,
15 perhaps, with an instruction.

16 But my legal basis for it is the first point would
17 be what I just stated, that there is a little bit of a
18 different -- of a difference in the way that the jury
19 determines claim-by-claim versus patent as a whole.

20 And then the other basis for it would be the Oasis
21 case where separating it out and asking the additional
22 question with respect to naming the inventor was very helpful
23 to the Court on resolving post-trial motions in that case.

24 THE COURT: Okay. I'll get a response on that in a
25 minute.

1 Do you have any other issues with respect to the
2 verdict form?

3 MR. PUCKETT: So I think just one other, Your
4 Honor. On the damages question, or Question 3, we think that
5 it is very important to include a date somewhere in one of
6 these two questions that reflects the cutoff of proof in
7 March of 2016.

8 And so we would propose inserting that in
9 Question B. So the jury would first answer an amount in
10 dollars for damages.

11 And then Question B would state, "Was this monetary
12 award a running royalty," and we would propose inserting "for
13 Apple's infringement through March, 2016, or a lump sum," to
14 make it very clear that the jury's resolution of this issue
15 only adjudicates infringement up through that date for which
16 there was proof offered at trial.

17 THE COURT: Any objection to that on the damages?

18 MR. BELL: If Your Honor want to take that first or
19 the --

20 THE COURT: Yeah.

21 MR. BELL: I think we would object to that.

22 (Counsel confer.)

23 MR. BELL: Sorry. Thank you, your Honor. I
24 apologize.

25 I think in principle we agree, with the following

1 caveat. We would agree to put in the date as proposed so it
2 would read, "Was this monetary award a running royalty as
3 of" -- the date -- "or a lump sum."

4 And we would also ask to add the date to the next
5 part where it says "running royalty," colon. It would say
6 "running royalty," and the date there as well, on the first
7 line. And then leave the second line "lump sum."

8 MR. FINDLAY: And then I think lump sum -- oh, "for
9 the life of the patent." "Through the life of the patent,"
10 something to that effect, Your Honor.

11 MR. PUCKETT: So I -- we don't object to that.

12 The only other thing is just to make clear, you
13 said put the date, and so we want it to say -- not just the
14 date but through March of 2016. But yes, that --

15 THE COURT: All right. I'm changing Part B, Page 3
16 of the verdict form. The question will read: "Was this
17 monetary award a running royalty for Apple's infringement
18 through March, 2016, or a lump sum, for the life of the
19 patent?"

20 And then in the blanks below "running royalty
21 through March 2016, lump sum for the life of the patent."

22 Anything objectionable about that from anyone?

23 MR. BELL: No objection, Your Honor.

24 MR. PUCKETT: No objection.

25 THE COURT: Great. Okay. Let's talk about

1 breaking out invalidity. Or not.

2 MR. BELL: So, Your Honor, we -- we don't object to
3 breaking it out. We agree to a degree that because
4 inventorship is holistic, not claim-by-claim determination,
5 that that would be appropriate. We would propose -- I
6 apologize, Your Honor. One moment, please.

7 THE COURT: Okay. It would have been very helpful
8 if you-all had tendered me up something. The most recent
9 verdict form that I had from you-all was August 24th. I
10 believe that's the most recent one I could find, so I feel
11 like we could have worked out some of this or gotten a little
12 closer if we had started before right now.

13 But where are we?

14 MR. BELL: Apologies, Your Honor.

15 I think we would -- I think we would propose -- we
16 submitted in the overnight version, which I understand
17 Your Honor did not have a chance to read, we submitted a
18 proposed question for the inventorship verdict form. And we
19 would propose to go with that.

20 THE COURT: Let me see if I can find it.

21 MR. BELL: And I -- I'd be happy to read it for the
22 Court, if you would like.

23 THE COURT: Okay. So, I'm on Document 284,
24 Exhibit C, Question No. 3, which is on Page 3. Is that
25 right?

1 MR. BELL: That's correct, Your Honor.

2 THE COURT: Okay. Do you object to the request to
3 have a blank about the -- you know, asking for who the
4 inventor is?

5 MR. BELL: Yes, we do, your Honor. We think we've
6 already covered that. It's not legally required, and it
7 would be actually legally erroneous to require that, we
8 believe.

9 THE COURT: Do you have any -- do you have this
10 question that I'm looking at, this in front of you,
11 Defendants' proposed question?

12 MR. PUCKETT: I will momentarily, Your Honor.
13 Yes, I do, your Honor.

14 THE COURT: Okay. Aside from the issue of whether
15 we're going to have the named person, do you have any
16 objection to the format of the question?

17 MR. PUCKETT: We -- we don't object to the language
18 in our proposed instruction which was on Page 8 of 284-2.

19 We would request adding the language "how to prove
20 that patent is invalid." And the language we would request
21 to add is "because the patent omits a person who should have
22 been named as an inventor." We think that that instruction
23 appropriately reflects the facts of the case.

24 MR. BELL: We would object to adding that language,
25 Your Honor. The statute only requires that we show that

1 Mr. Sebire was not the true and sole inventor, not that we
2 show that there were others who were.

3 THE COURT: All right. I'm going to use Apple's
4 tendered question.

5 What about obviousness now? Obviously, if we're
6 going to break these out, we've got to figure out how we're
7 going to format the obviousness question as well. Can we not
8 just say: Did Apple prove by clear and convincing evidence
9 that any of the asserted claims of the '820 patent are
10 invalid as obvious? Keeping the Court's same question?

11 MR. BELL: We have no objection to that, Your
12 Honor.

13 MR. PUCKETT: I, likewise, have no objection.

14 THE COURT: Okay. I'll make that change.

15 What's next?

16 MR. PUCKETT: So has Your Honor resolved the issue
17 of whether there will be a blank asking the jury to identify
18 the name of an individual?

19 THE COURT: I am not going to require the jury to
20 name the individual. I understand your objection. It is
21 overruled.

22 MR. PUCKETT: So with that, Your Honor, I think
23 that the only thing that is outstanding from our perspective
24 is our discussions over the proposal with respect to prior
25 art information that allegedly was not considered by the

1 examiner.

2 MR. BELL: And we do have a proposal. I would
3 defer Your Honor in whether you want us to confer --

4 THE COURT: I'm going to go through your
5 objections. We'll take another break, give you a minute to
6 see if you can come to an agreement.

7 MR. BELL: I'm confident we can.

8 THE COURT: Okay. So starting over. Great.

9 MR. BELL: Well, Your Honor, I can report I think
10 we just have a handful, something like two or three
11 objections to walk through. And we'll try to do that
12 quickly.

13 So if we could turn first to the willful
14 infringement, No. 5.4. That's on page 15.

15 And this one, we understand Your Honor's already
16 ruled on this, but we would like to preserve our objection to
17 including it all. We think it should be a question for the
18 Court, not the jury, but we understand Your Honor has already
19 ruled on that.

20 THE COURT: Thank you. Your objection is
21 overruled.

22 What's next?

23 MR. BELL: Thank you, Your Honor.

24 Next, if I could direct the Court's attention to
25 Page 24 and 25.

1 And these, Your Honor, are the list of
2 Georgia-Pacific factors to consider. In light of
3 Your Honor's rulings, including instructions on standard
4 essential patents and FRAND obligations, we think under
5 Ericsson it would be appropriate to instruct the jury that
6 insofar as they find standard essentiality or FRAND
7 obligations, then they should disregard certain factors in
8 the list.

9 And those factors in particular would be Nos. 4 and
10 5 if there are FRAND obligations, and Nos. 8, 9, 10. And we
11 would submit 11 if there are standard essentiality. Those
12 factors, as Ericsson -- the case in Ericsson made clear,
13 don't really apply if you're in that world. And we
14 understand that the jury may go either way on that. And so
15 we think some sort of conditional instruction in order to
16 comply with Ericsson, which found error in including those
17 instructions.

18 So in order to account for that, some sort of
19 if-then statement. We would propose something along the
20 following lines on Page 25.

21 So in the last full paragraph, second sentence
22 starts, "If you agree that," and we would propose inserting
23 somewhere, perhaps, before that, "If you agree that the
24 patent is essential to the LTE standard, you should not
25 consider Factors 8, 9, 10, and 11 above."

1 And then consistent with that, a similar
2 instruction in the FRAND instructions, something along the
3 lines of, "If you agree that the patent is FRAND encumbered,
4 or is licensed on FRAND terms, you should not consider
5 Factors 4 and 5 in Instruction 7.4," something to that effect
6 to account for Ericsson.

7 THE COURT: Response.

8 MR. PUCKETT: So theirs was the D-Link case. It
9 has a general statement saying that the jury should be
10 instructed on factors, grouped set of factors that are proven
11 based on the evidence in the case. But I'm not aware -- and
12 counsel can point to anything that supports this motion, but
13 I'm not aware of any language in this case or otherwise
14 suggesting that there are particular Georgia-Pacific factors
15 that as a matter of law are irrelevant once there is a
16 finding of either a standard essential patent or FRAND
17 obligations. So -- so we would object to the instruction.

18 MR. BELL: So, Your Honor, if I could point the
19 Court to the -- to the Ericsson case. And it indicates,
20 quote: Several of the Georgia-Pacific factors would at least
21 need to be adjusted for RAND-encumbered patents.

22 And then it lists also Factors 8, 9 and 10, which
23 the Court calls irrelevant because the standard requires the
24 use of the technology.

25 So those -- those circumstances are no different in

1 that case than in this case. The LTE standard would require
2 the use of the technology insofar as the standard essential,
3 so the same rationale, I think, would apply to remove those
4 from the jury's consideration if they find it is SEP or
5 FRAND.

6 THE COURT: So did the Court find in Ericsson that
7 it was error to instruct the jury as to those factors?

8 MR. BELL: Yes, it did, Your Honor.

9 THE COURT: Okay. We're going to -- we're going to
10 take a break right now, ten minutes, so that you-all can talk
11 about prior art before the PTO. And I'm going to give you a
12 chance to look at this Ericsson case and tell me if he's
13 right.

14 MR. PUCKETT: Okay.

15 THE COURT: Ten-minute break.

16 MR. BELL: Thank you, Your Honor.

17 COURT SECURITY OFFICER: All rise.

18 (Recess.)

19 THE COURT: Okay. What do you think about that
20 Ericsson law?

21 MR. PUCKETT: So with regards to the Ericsson law,
22 Your Honor, we looked at the citation together. The citation
23 I was shown by counsel was stating the principle that I
24 referred to, which is that you don't instruct the jury on
25 facts that don't fit the case.

1 But there is no language here that suggests that
2 there are certain Georgia-Pacific factors that must come out
3 as a matter of law. In fact, Ericsson, I believe, suggests
4 exactly the opposite where -- and apologies now; I've flipped
5 to a different case -- but where it says very specifically
6 that there should not be a new list of Georgia-Pacific
7 factors that apply solely to circumstances where there are
8 FRAND obligations.

9 And, so, I would point the Court to that language
10 as suggestive that while on the facts of a particular case a
11 jury may decide to give more or less weight to certain
12 Georgia-Pacific factors based upon whether or not there are
13 FRAND obligations, that is not supported by this case, that
14 there are certain factors which the jury should be instructed
15 to disregard.

16 And, so, the pinpoint cite for that is at the top
17 of Page 1232 of the opinion. The court said: We believe it
18 unwise to create a new set of Georgia-Pacific-like factors
19 for all cases involving RAND-encumbered patents. Although we
20 recognize the desire for bright-line rules and the need for
21 district courts to start somewhere, courts must consider the
22 facts of the record when instructing a jury and should avoid
23 reference to any particular damages formula.

24 MR. BELL: Your Honor, I would point the Court to
25 Page 1230 of the Ericsson opinion where the Court walks

1 through and examines Factor 4, Factor 5, Factor 8, Factor 9,
2 Factor 10. And all of those were, in the circumstances of
3 the case, irrelevant because there were standard essential
4 patents and FRAND obligations at issue and for no other
5 reason, at least that I can discern, than that.

6 Now, the Court goes on to say -- so, it says those
7 are irrelevant because the standard requires the use of the
8 technology. So all of those dealt with how much does the
9 accused infringer use the technology and so on and so forth.

10 But those, of course, are mooted by
11 standard-essentiality. And the Court goes on to say: Other
12 factors besides those may need to be adapted on a
13 case-by-case basis. But in this case the district court
14 erred by instructing the jury on multiple Georgia-Pacific
15 factors that are not relevant or are misleading on the record
16 before it, including at least Factors 4, 5, 8, 9, and 10.

17 So the record before it was the record of standard
18 essentiality and FRAND obligations. So we would submit the
19 same considerations would at least warrant a conditional
20 instruction here to the jury.

21 MR. PUCKETT: Well, this goes back into the problem
22 of we don't have proof in the record of what specific
23 requirements that any alleged FRAND obligations would even
24 impose. And, so, for example, they are trying to knock out
25 the Georgia-Pacific factor that would allow the jury to

1 consider other licenses.

2 But under the particular 3GPP policies can Rand
3 obligations be set by reference to other licenses? I don't
4 know. And I don't believe that there is any proof in the
5 record that answers that question one way or the other. I
6 don't -- I certainly don't think that Ericsson versus D-Link
7 supports the proposition as a matter of law that the Court
8 should start knocking out Georgia-Pacific factors,
9 particularly in the absence of any evidence specific from the
10 facts of this case, that something about the Rand obligations
11 or the IPR policies would even come close to counseling that
12 result.

13 THE COURT: All right. I'm not going to give a
14 conditional instruction. What's next?

15 MR. PUCKETT: I think, your Honor, that we are down
16 to a very small disagreement on whether the standard of proof
17 on the i4i-type instruction is preponderance of the evidence
18 or clear and convincing evidence.

19 And, so, if we can -- and I guess counsel, because
20 he has the paper -- but to read essentially our agreed
21 instruction into the record with the exception of this one
22 issue on the burden of proof, and then we can discuss that.

23 THE COURT: Okay.

24 MR. BELL: I'd be happy to do that, your Honor.

25 THE COURT: Read it slowly, please.

1 MR. BELL: Thank you, your Honor.

2 The proposal would read: "In deciding the issue of
3 invalidity based on a prior art reference or other
4 information, you may take into account whether the prior art
5 or other information was, or was not, previously considered
6 by the Patent Office when it examined the '820 patent but
7 only if Apple showed" -- and here is the disputed part -- "by
8 clear and convincing evidence" -- end of disputed part --
9 "that the art or other information not considered by the
10 Patent Office was more relevant than the art or other
11 information that was considered by the Patent Office. You
12 may decide how much weight to assign to this fact based on
13 the totality of the evidence and circumstances."

14 And we would submit, your Honor, that the part that
15 I highlighted, the "by clear and convincing evidence," is not
16 appropriate in this circumstance because what we're talking
17 about here is the consideration of all of the evidence, not
18 any particular piece of evidence.

19 THE COURT: Response?

20 MR. PUCKETT: And, so, I would say for the record
21 that CCE agrees to the proposed instruction as read, using
22 the clear and convincing evidence standard.

23 We went carefully through the cases during the
24 break to see whether the cases directly answer this question.
25 There's a little bit of ambiguity in the language, I'll say,

1 in the sense that the cases refer back to Apple's burden to
2 prove this and then Apple's general burden to prove
3 invalidity by clear and convincing evidence. But, again,
4 none of the cases say one way or the other as to what the
5 standard of proof is on proving this underlying fact issue of
6 the materiality, if you will.

7 And, so, our position would be, I believe, that
8 when it comes to sort of all things related to invalidity,
9 that the party challenging the patent has the burden of proof
10 by clear and convincing evidence. I can't think of any
11 circumstances -- and I'd ask counsel for an example -- of any
12 instance anywhere where some underlying fact issue related to
13 the Defendants' burden on invalidity can be proved by
14 anything less than clear and convincing evidence.

15 And, so, in the absence of any authority that I
16 think I've ever seen on that, it would be my assumption that
17 they have the burden on this by clear and convincing evidence
18 just like on everything else.

19 MR. BELL: One note, your Honor. To the extent
20 that it would apply on a piece-of-evidence-by-piece-of-
21 evidence basis, we would point out that you don't, in other
22 circumstances involving invalidity, go by the type of
23 evidence involved and say this requires clear and convincing
24 evidence, this requires clear -- so, my point is it would be
25 subsumed within the larger burden; and in any event, we don't

1 need to call it out again here.

2 THE COURT: I'm going to include the construction
3 without the clear and convincing standard and otherwise
4 agree.

5 Will you-all refresh my memory on what section of
6 the charge this is supposed to go in?

7 MR. BELL: Yes, your Honor. I believe it is 6.1.

8 MR. PUCKETT: That's correct, your Honor.

9 THE COURT: All right. And, so, we are basically
10 replacing the second full paragraph in 6.1; is that right?

11 MR. PUCKETT: That was my understanding, Your
12 Honor, yes.

13 THE COURT: Is that Defendants' understanding as
14 well?

15 MR. BELL: Apologies, your Honor.

16 MR. PUCKETT: With the caveat, your Honor, that we
17 did agree to the first sentence.

18 THE COURT: Okay.

19 MR. BELL: I think Defendant would ask to -- and I
20 apologize if I didn't recall what we were discussing. But I
21 think we would want to include the final sentence as well,
22 "prior art that differs from the prior art or other
23 information considered by the Patent Office."

24 I mean, Counsel, pardon me if I'm wrong. I don't
25 know if we included that in the discussion.

1 MR. PUCKETT: So, my read of the i4i case is that,
2 while it does say that this evidence may make it easier for
3 Apple to carry its burden, it also may not; and it is
4 ultimately at the discretion of the jury, which is what the
5 last sentence in the agreed proposal states, is that the jury
6 has the discretion to determine what weight to afford the
7 evidence.

8 MR. BELL: We would just preserve our objection to
9 not including that last sentence if your Honor is inclined
10 to.

11 THE COURT: Okay. I'm not going to include that.
12 So we're going to include the first sentence of the second
13 paragraph starting with "even though the Patent Office"; and
14 then after that we will drop in the agreed portion of the
15 proposed written instruction without the "clear and
16 convincing" bracket.

17 MR. BELL: Thank you, your Honor. I think we just
18 have two more small things.

19 THE COURT: Okay.

20 MR. BELL: Returning for a moment to the
21 Instruction 7.4, the Georgia-Pacific factors, directing the
22 Court's attention to Factor 11 which carries over from Page
23 24 to 25, we would request that the Court -- and this may
24 have just been a typo -- but to track the language of
25 Factor 11 from Georgia-Pacific, we would ask at the top of

1 Page 25 that the Court include the following phrase. So
2 where it currently reads "evidence probative of that use," we
3 would ask that it say "evidence probative of the value of
4 that use." And that tracks exactly the Georgia-Pacific
5 Factor 11.

6 MR. PUCKETT: No objection.

7 THE COURT: Okay. We will make that change.

8 MR. BELL: And then one final thing, your Honor.

9 In Instruction 5.3 on Page 14 -- this is returning
10 to the instruction we addressed earlier, the discussion we
11 had when counsel was raising objections. And as I recall, in
12 the middle paragraph, the full paragraph that starts, "In
13 considering whether Apple has induced infringement,"
14 et cetera, et cetera, there was a sentence struck later on
15 that starts, "You may not assume that merely because Apple
16 did not obtain an opinion of counsel" and we reached
17 agreement not to discuss that further in the case.

18 Concomitantly, we would also request that we strike
19 the part of the first sentence that says "including whether
20 or not Apple obtained legal counsel." The two sort of go
21 hand in hand.

22 THE COURT: Ah. I see. Any objection to that?

23 MR. PUCKETT: Just so that I understand, so,
24 essentially the entirety of those two sentences involving
25 opinion of counsel would be struck?

1 THE COURT: They are already gone. But in the
2 first sentence it says, "In considering whether Apple has
3 induced infringement, you may consider all circumstances,
4 including whether or not Apple obtained legal counsel." And
5 that's what he's moving to strike, correct?

6 MR. BELL: Correct, your Honor.

7 MR. PUCKETT: That's correct. No objection.

8 THE COURT: Okay. I'll remove that as well.

9 And, so, just to make that sentence read correctly,
10 the sentence is going say, "You may consider all of the
11 circumstances, including whether or not Apple knew of the
12 patent." Does anyone -- otherwise, it just doesn't make much
13 sense.

14 MR. PUCKETT: I agree. No objection.

15 MR. BELL: No objection, your Honor.

16 THE COURT: Okay. Anything else?

17 MR. BELL: We have no more objections, your Honor.

18 Thank you.

19 THE COURT: Well, all right. Thank you everyone.
20 Ms. Mehta is going to make these changes, and she is going to
21 e-mail you-all copies of the charge and the verdict form
22 tonight, so you can have them to prepare for closing
23 tomorrow.

24 And, so, goodness, if we happen to get a typo in
25 there, you will let us know in the morning as well. Right?

1 Thank you for your hard work. We will be adjourned.

2 (Court adjourned until September 13, 2016.)

3
4
5 CERTIFICATION

6
7 IT IS HEREBY CERTIFIED that the foregoing is a
8 true and correct transcript from the stenographic notes of
9 the proceedings in the above-entitled matter to the best of
10 our abilities.

11
12 /s/_____
13 CHRISTINA BICKHAM, CRR, RMR
14 Official Court Reporter

September 13, 2016

15
16 /s/_____
17 SHEA SLOAN, CSR, RPR
18 Official Court Reporter

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